



BUSINESS REPORT

Date: **31st July 2025**

Business Reference: **37131**

About the Business:

Established Franchise Restaurant, Southern Suburbs

Selling Price: R2,9 million including stock A fantastic opportunity to own a popular dining hotspot where great food, live entertainment, and a welcoming atmosphere come together to create an unforgettable experience. With its prime location, high foot traffic, and established reputation, this franchise is a high-profit, high-potential investment.

Established Franchise Restaurant, Southern Suburbs



Sector: Food

Asking Price:

R 2,700,000

Monthly Profit:

R 45,147

Asset Value:

R 539,429

Stock Value:

R 200,000

Yearly Net Profit :

R 270,881



Business Report

Fully describe the business's activities?

- Traditional German Cuisine: The core focus is serving classic German dishes like eisbein, sausages, schnitzels, pretzels, sauerkraut, and a selection of beers. The menu also has traditional South African specialties and seasonal offerings.
- Family-Friendly Services: The kiddies area provides a safe, fun space for children, which could include play equipment, toys, and even organized activities like face painting or kid-friendly entertainment. This helps attract families who want to enjoy a meal out without worrying about their children being bored.
- Live Music: To enhance the dining experience, the restaurant hosts live music performances on certain nights, popular covers, tribute bands and even contemporary bands. The music creates a lively, festive atmosphere, drawing in customers who enjoy dining with live entertainment.
- Live Sport: The restaurant has eleven large screens showing live sports events, such as football, rugby, or other popular sports. This creates a great environment for sports fans who want to watch games while enjoying German food and drinks. Special promotions or events might coincide with major sporting events (e.g., offering discounts on beer during a big match).
- Events and Themed Nights: The restaurant hosts special events like Oktoberfest celebrations, beer tasting nights, or family-friendly afternoons with themed activities. The live music and sport add to the sense of community and enjoyment, creating a social hub for people of all ages.
- Takeaway and Delivery: In addition to in-house dining, the restaurant offers takeaway and delivery services, catering to local customers who want to enjoy German cuisine at home, perhaps even including family meal deals.
- Marketing and Promotions: The restaurant focuses on marketing to families, sports fans, and people interested in live entertainment. This could include social media promotions, collaborations with local sports teams, family promotions, and themed nights that attract a wide range of customers.

Overall, the combination of hearty food, child-friendly amenities, live entertainment, and sports viewing positions the restaurant as a versatile venue for various customer segments.

How does the business operate on a daily basis?

- Staff Arrival: The kitchen staff arrives early to prepare for the day, ensuring all ingredients are fresh and ready for cooking. This includes prepping meats, chopping vegetables and ensuring the beverage fridge is stocked with beers and other drinks.
- Cleaning & Preparation: The front-of-house staff cleans and arranges the dining area. The kiddies area is checked for safety and cleaned, ensuring it's ready for children to use. The live music setup (if applicable) and sports screens are tested.
- Opening Hours Begin: The restaurant opens for lunch service. If there's a live sport event scheduled for later in the day, the manager ensures the relevant screens and audio equipment are ready.
- Service Period

Lunch Service: The kitchen focuses on preparing traditional German dishes for the lunch rush, with items like sausages, schnitzels, and eisbeins. The kiddies area is likely quieter during this time, but parents will often bring children for casual meals. Staff ensure that orders are taken efficiently, especially considering the family-oriented nature of the restaurant.

Afternoon Preparations:

Staff Handover: As the lunch shift winds down, the kitchen and front-of-house staff prepare for the evening crowd. The kiddies area is monitored to ensure children are safely playing. A child minder engages children with games or entertainment while parents enjoy a meal.

Tech Check for Live Music and Sports: If there's live music in the evening, the musicians are briefed about set times. The sports screens are prepped for upcoming games or matches, ensuring proper sound and visibility.

Dinner Service: The evening service sees a busier environment with families, sports fans, and those enjoying the live music. The live music could start after dinner to enhance the atmosphere, and staff manage the flow of orders while keeping an eye on the kiddies area. If a major sport event is being broadcasted (e.g., rugby match), the restaurant will likely experience an influx of sports fans. There may also be promotions, such as discounts on beer during match times, to attract more customers.

- Live Music & Events

Depending on the day of the week, live music will either start early in the evening or after the dinner rush. The restaurant ensures the right ambiance by adjusting lighting and volume.

For special events (e.g., Oktoberfest), the restaurant may offer themed food and drinks, create additional decorations, and provide extra activities for children in the kiddies area (e.g., face painting, games).

- Engagement with Customers

Customer Experience: Throughout the day, staff actively engage with customers, ensuring they are happy with their meals and addressing any concerns. The restaurant has a loyalty program and provides special offers for regular customers. Social media interaction (posting about live events, specials, and family-friendly offerings) is also part of daily operations to attract more business.

Kiddies Area Supervision: In the kiddies area, the staff or hired personnel ensure children are safe, entertained, and engaged while parents enjoy their meal. The area may also host scheduled activities or crafts for children, depending on the day or time.

- Operations and Maintenance

Inventory Management: Daily inventory checks are conducted in the kitchen to ensure all ingredients and supplies are in stock.

Staff Scheduling: The manager coordinates the daily staff schedule to ensure there are enough waitstaff, kitchen hands, and entertainment assistants available to handle peak periods (lunch, dinner, live music times, or sport events).

- Cleanliness and Closing

Post-Service Cleaning: After closing, staff deep clean the dining and kiddies areas, sanitizing tables, chairs, play equipment, and the kitchen.

Prep for Next Day: The kitchen team prepares for the next day's service, ensuring that all ingredients are fresh and any remaining orders from the night before are accounted for. The live music setup or sports event equipment is stored away securely.

- Review and Reporting: The management team might meet briefly to review the day's sales, customer feedback, and any issues. They also check reservations and prepare for upcoming events (e.g., booking the next live music act or planning for special sporting events).

- Ongoing Marketing

Throughout the day, the restaurant's social media accounts may update customers about upcoming live music, sports events, and special promotions on our tv's. Local community outreach and collaboration with sports clubs or schools may be ongoing to ensure a steady stream of customers, particularly families and sports fans.

In sum, the daily operation is a balance of managing food service, providing live entertainment, ensuring a safe and engaging environment for children, and maintaining a dynamic, customer-focused atmosphere that appeals to families, sports fans, and music lovers alike.

What Advertising/Marketing is carried out?

We have an in house marketing department that handles everything from marketing to customer engagement.

What competition exists?

There are only two restaurants in the same strip that could compare. The one is a contemporary restaurant called Jakes, they serve more a fine dining experience and upper class dishes and wine options. The other would be Hussar grill, which is a steak house. Us being a German style restaurant with a kiddies area, have no real competition in the area as we have such a unique offering. No one in the area offers what we have. Especially the kiddies area that is supervised by a child minder.

How could the profitability of the business be improved?

N/a

Give a breakdown of staff/ functions/ length of service?

Lunch rush runs from 12-2
Drink happy hour from 3-6
Dinner rush 6-8

Do any have management potential?

I have two FOH managers and one BOH manager.

How involved is the Owner in running the business?

I am there every day of the week and handle all admin to make sure we keep an eye on the spend and foodcost.

When does the current lease end?

1 November 2027

What are the trading hours?

11am-11pm

Strengths?

- Unique Concept: I offer a unique blend of German and South African cuisine, which sets my restaurant apart from others. Dishes like Eisbein, schnitzel, sausages and local braai options cater to a wide variety of tastes.
- Family-Friendly Environment: The new kiddies' area with a child minder is a big hit. Parents love being able to enjoy their meal while knowing their kids are safe and entertained.
- Variety of Beverages: I provide a great selection of both local and international beers, which really stands out. Plus, the cocktail range is a nice addition that attracts a variety of customers.
- Entertainment Value: The live music, shows, and big screens showing sports like rugby, F1, and soccer create a fun, lively atmosphere that draws in sports fans and people looking for entertainment.
- Prime Location: Being in Cape Town, a top tourist destination, gives me the opportunity to serve both locals and visitors, making the restaurant a perfect spot for anyone looking for a great meal or a fun place to hang out.
- Charcoal Oven: My charcoal oven adds an authentic flavor to the meats I prepare, especially with the braai, which customers really seem to appreciate.

Weaknesses?

- Niche German Cuisine: While my German dishes are a unique selling point, some customers may not be familiar with or prefer this type of cuisine, which could limit the audience.
- Dependence on Sports Seasons: The success of my sports-viewing events is tied to specific seasons. There might be a dip in foot traffic during the off-seasons for rugby, F1, or soccer.
- Competition: Cape Town has a highly competitive restaurant scene, and I need to stay innovative to keep up with other family-friendly spots and sports bars.
- Operational Complexity: Managing both the family-friendly space with the child minder and the adult side with live music and sports can be a bit tricky and requires extra staff and coordination to ensure everything runs smoothly.

Opportunities?

- Special Events and Promotions: I could capitalize on the rugby season, F1, and other major sports events by offering themed nights, exclusive food or drink promotions, or even partnering with local sports clubs.
- Growing Popularity of German Cuisine: With people becoming more interested in international food, I could host themed nights or seasonal events like Oktoberfest to attract new customers and build on the growing trend.
- Collaborations with Local Breweries: Partnering with local breweries would help me expand my beer offering while also creating a unique experience that resonates with local beer lovers.
- Expanding the Kiddies Area: If the kiddies' area continues to do well, I could explore adding more activities or even offering birthday parties or family events to make it an even bigger draw.

Threats?

- Seasonality of Sports: While rugby and F1 seasons are great for business, the off-seasons could create a lull, so I need to make sure I have other ways to keep business steady during these quieter months.
- Shifting Consumer Preferences: Trends in food and beverage, like an increasing focus on health-conscious or plant-based eating, could impact customer choices, so I'll need to stay flexible with my menu.
- Competition: There are plenty of other places in Cape Town that also offer sports viewing, family-friendly spaces, and great food, so I need to keep offering something unique to stay ahead.

What is the reason for the sale?

Finding it difficult to balance the demands of the business with the needs of growing family. It's been an amazing journey building something unique, and there's so much more potential for the right person to take it to the next level.