

business
for sale



Date: **5th April 2025**
Business Reference: **33589**

About the Business:

Large, state of the art auto body repairer for sale

Well established, very profitable auto body repairer for sale in the North West

Large, state of the art auto body repairer for sale



Sector: **Services**

Asking Price:

R 11,175,000

Monthly Profit:

R 517,064

Asset Value:

R 7,377,688

Stock Value:

R 75,000

Yearly Net Profit :

R 6,204,768



Business Report

Fully describe the business's activities?

This is a very well-established auto body repair business and has been operational since 2001. It is one of the largest and most established auto body repairers in the North West area.

It is the dominant auto body repairer in the region with about 90% market share.

The vast majority of the work stems from insurance companies with a positive Lightstone customer service rating of 97%. The business is supported by all the major insurance companies

It has contractual relationships with numerous corporations too.

The business is accredited by Toyota, Isuzu, Kia, Ford, Mazda, Renault, Suzuki, GWM, Hyundai, Honda, Datsun, Chery, Haval, Mahindra, Jetour and Nissan.

The latest technologies are used from the preparation process to spray painting.

Extensive guarantees are given to clients.

The assets comprise the property, 3 chassis straighteners, top-of-the-range welders, 3 spray booths and nitrotherm spray units, a compressor, a generator, and 7 courtesy vehicles.

It has a staff complement of over +/-40 staff.

It has a BEE rating of 8

The property and auto body repair business are currently in separate entities

The property is not included in the sale but its sale to an interested party will be considered

How does the business operate on a daily basis?

Work is referred to the business by insurance companies and to a lesser extent obtained through walk-in clients

Vehicles are examined by an estimator on arrival and a quote is thereafter prepared and presented to the client or sent to the insurer

In the case of insurance work, assessors then inspect vehicle and sign-off the quote.

Once quotes have been accepted, the work is scheduled and the repair work starts when the vehicle is delivered

What Advertising/Marketing is carried out?

Local newspaper and LED advertising board in prominent position in town

What competition exists?

One other panelbeater in the area

How could the profitability of the business be improved?

Improve the BEE rating and thereby attract more work
Obtain better labour rates from insurances companies
Obtain better settlement discounts from suppliers

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

A list is available to qualified buyers

Do any have management potential?

Yes, the workshop manager (a panel beater) could move into a senior management role. The office manager (estimator as well as a trained panel beater) could run the quoting and assessments sections

How involved is the Owner in running the business?

Assumes overall responsibility for the running of the business on a day-to-day basis

When does the current lease end?

The business property is owned by the current shareholders (it can be sold with the business - the price is not reflected in the above advertised selling price).

There are distinct advantages in owning the property to secure long-term tenure and control the lease charge. An adjoining property is leased from Transnet and is used for parking vehicles awaiting repair etc.

What are the trading hours?

7h30 to 17h00

What are the main assets of the business?

All the assets are critical for carrying out the business. The assets of most monetary value comprise the chassis straighteners, spray booths, nitrotherm spray units, generator, compressor, and courtesy cars belonging to Brits Auto Body.

The immovable assets' book values are low but are valued at around R8m.

Strengths?

Very well established in the North West area with strong brand and dominant in immediate area
State of the art equipment and best practices employed
Well supported by insurers
Experienced and well trained staff
Accredited by all the popular car manufacturers
High turnover with impressive profitability levels
Property is owned and is part of the business
High barriers to entry

Weaknesses?

BEE rating needs improvement

Opportunities?

A higher BEE rating will attract additional work
Turnover and profitability can be improved further

Threats?

Current BEE rating a threat

What is the reason for the sale?

The shareholders want to retire.