

A man in a blue suit and patterned shirt stands on a city street, smiling. The background shows a building and a blue trash can.

# BUSINESS REPORT

Date: **20th May 2024**

Business Reference: **33732**

About the Business:

## Vehicle spares and accessories franchise in Northern Cape

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# Vehicle spares and accessories franchise in Northern Cape



Sector: **Retail**

Asking Price:

R **3,300,000**

Monthly Profit:

R **15,396**

Asset Value:

R **2,310,264**

Stock Value:

R **2,500,000**

Yearly Net Profit :

R **184,753**



# Business Report

## Fully describe the business's activities?

Sourcing and supply of a complete range of motoring spares, auto parts, accessories and lifestyle and outdoor products.

## How does the business operate on a daily basis?

The current owner runs the business hands on a daily basis

## What Advertising/Marketing is carried out?

Franchisor marketing and advertising in the form of print and TV. Occasional flyers are distributed in the local area.

Word of mouth

## What competition exists?

There is another autozone centre in town

## How could the profitability of the business be improved?

More marketing and advertising even though the business is growing well organically.

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

1 x Manager

4 x General workers

## Do any have management potential?

Yes

## How involved is the Owner in running the business?

The owner is 100% involved in the business

## When does the current lease end?

The premises belongs to the owner

## What are the trading hours?

Monday to Saturday 08:00 - 17:00

## What are the main assets of the business?

The stock and building are the main assets

## Strengths?

- Located in a lucrative agricultural area with very few smaller competitors
- Very need and well managed business
- Big stock range
- Personal customer service
- Business located on own premises
- Well established business in the community

## Weaknesses?

- Owner and wife is the pivot around which everything happens in the business
- Skills Transfer has to be improved
- Only word of mouth marketing strategy

## Opportunities?

- Improve marketing
- Wide trade area to develop and service
- Expand business
- Diversify on own premises

## Threats?

- Economic Down slope
- Competition expanding
- Agricultural unforeseen negative circumstances

## What is the reason for the sale?

Retirement