



# BUSINESS REPORT

Date: **20th May 2024**

Business Reference: **36614**

About the Business:

## Building services

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A re-sale opportunity in a Durban franchise offering professional solutions to all building related maintenance with enviro-friendly materials manufactured and supplied by the Franchisor. The Franchisor offers full training and on-going support to the franchisee and his team.

# Building services



Sector: **Services**

Asking Price:

R **880,000**

Monthly Profit:

R **172,805**

Asset Value:

R **155,000**

Stock Value:

R **0**

Yearly Net Profit :

R **2,073,665**



# Business Report

## Fully describe the business's activities?

The Franchisee uses tried and tested systems and enviro-friendly solutions developed by the Franchisor to professionally repair and restore all aspects relating to building maintenance.

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

After visiting the Client's premises the Franchisee will prepare and submit a quotation to the Client. The Franchisee will ensure the workers adhere to the scheduled times, are correctly dressed in the branded uniforms and have the tools and materials for the job. The Franchisee will also ensure that the workers abide by the code of ethics and business practices of the Franchise Association of South Africa and particularly the safety standards in the work place.

## What Advertising/Marketing is carried out?

It's at the franchisee's discretion to use local radio advertising, social media, brand advertising on vehicles etc.

## What competition exists?

There is competition from the smaller operators. This franchisor subscribes and abides by the Code of Ethics and Business Practices of the Franchise Association of South Africa. All the Enviro-Friendly solutions carry guarantees so the franchisees stand apart from the competition.

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

Promotions and advertising.  
Calling on previous clients.  
Employing a salesman.

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

The Owner of the business should be totally involved in the business soliciting business, promoting the Brand, managing the day-to-day operations, maintaining good customer relationships and following up on warranties and guarantees.

### When does the current lease end?

At start-up the business could be run from home thus saving on rental.

### What are the main assets of the business?

Upon opening of the franchise outlet plant and equipment, products and office equipment will be supplied except for the VIP salary software.

It will be necessary for the franchisee to purchase a bakkie at his/her cost.

### Strengths?

Long established national Brand.

The Franchisor has a huge client base and is on the Vendor list of large businesses. Leads are shared with franchisees.

Franchisor's focus is to keep abreast of technology regarding their products.

The only business in SA to manufacture and supply a wide range of Enviro-Friendly maintenance products.

The Franchisor has unique and in depth training programs with on going support for franchisees.

### Weaknesses?

There are independent market spoilers in the industry.

### Opportunities?

Properties require regular maintenance to maintain their value so it is up to a dynamic and motivated franchise Owner to pursue these opportunities.

### Threats?

Although the state of the economy has an affect on the industry there are no other perceived threats as the product is a unique enviro-friendly product.

### What is the reason for the sale?

The franchise agreement was not renewed with the current franchisee.