

Profitable Commercial Screen Printing & Embroidery Business

Client #: H-N1803

Summary:

This well-established profitable commercial screen printing & embroidery business located in North Central Indiana has been servicing clients for over 40 years. They service almost exclusively to commercial clientele in a niche market as a union shop. Over their long history, they have established strong client relationships that continue from year to year. Their reputation and consistent performance on quality and timely delivery have enabled their client base to expand exponentially over the years.

They are part of several dealer networks and provide services to customers in the screen printing and advertising industry, as well as businesses, political campaigns, unions and a wide variety of other commercial clientele. They have a large and diverse customer base, with no one customer responsible for more 5% of their total revenue. They service job orders ranging from 24 items to 24,000. Most of their strong repeat client base are larger national accounts. Due to their great success with these national account referrals they have undertaken very little active marketing to drive leads. Their strongest referral source is passive and feeds up to 25 quotes per day during their busy times. Due to their capacity issues they regularly turn away small jobs as well as the jobs over 24,000 pieces that would not fit into their production schedule.

A savvy ambitious owner/operator or synergistic acquirer could grow this business significantly with a few changes. The following are areas that the current owners have identified as areas for growth potential for new ownership:

- Marketing and advertising strategies to drive new leads and orders with local businesses as well as larger national accounts. There is room for growth in both areas.
- Increase hours that the business is open and run a second shift to handle increased orders.
- Purchase additional equipment to handle increased production and better utilize existing floor space.
- Move it to a new facility or bring it in house to a larger facility and increase the capacity by adding even more machinery.

Location: North Central Indiana

Reason For Sale: Seller is retiring

Asking Price: \$495,000 plus inventory

Inventory of approximately \$23,000 is not included in the sale.

Financial Information:

2018 Sales = \$905,767 and Cash Flow = \$111,121

2017 Sales = \$828,427 and Cash Flow = \$109,190

2016 Sales = \$781,244 and Cash Flow = \$115,656

Cash Flow = net income + depreciation + amortization + interest + officer's direct & indirect compensation + non-recurring expenses

Equipment Information:

The equipment is in good condition. A detailed list of assets included in the sale is available upon request.

Real Estate Information:

The Seller owns the real estate. The business facility is approximately 6,000 square feet. The Seller is willing to sell the real estate for fair market value or lease it for terms to be negotiated.

Employee Information:

There are nine (9) full-time employees. With the exception of the Seller, it is not anticipated that there will be any employee turnover as a result of a sale.

Training & Transition Information: The Seller is willing to train and transition the Purchaser for a mutually agreeable time period immediately following closing.

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