

FOR SALE: Industrial Supply and Distribution Business

Semi-Absentee Run with Multiple Locations and Excellent Cash Flow

Asking Price:	\$ 4,250,000		
Revenue:	\$ 5,219,339		
Adj. EBITDA:	\$ 810,930		
FF&E:	\$ 300,000	Included?	Yes
Inventory:	\$ 1,300,000	Included?	Yes
Real Estate:	\$ 1,250,000	Included?	No
Building Size:	18,000 SF (Location 1, Owned) 6,000 SF (Location 2, Leased)		
Employees:	12		
Location:	Ohio		



Business Summary: NEO Business Advisors represents a leading regional distributor of industrial supplies and construction products including pipe, industrial and hydraulic hose, pumps, and more. The business is run semi-absentee by the current owner who only works about 10 hours per week on the business with experienced staff in place running the day-to-day at both of their two locations. The company is well staffed with skilled employees and offers an extensive inventory of products in roughly 25,000 square foot of warehouse space coupled with modern technology driving growth and business efficiency. The company is long established with roots going back almost a century. The current owner has owned the business for the past 25 years and made significant strides in growing the business, building long-lasting relationships with industry-best suppliers, and combining local industry expertise with national distribution coverage to meet the needs of their customers.

COVID-19 Impact Statement: The business operated as an essential business throughout COVID-19, however sales and profitability declined in late 2019 and remained down throughout 2020. The business began to recover in 2021 and was back to normal operating level in 2022. The First Half 2023 is on pace for financial performance similar to 2022.

Financial Overview:

	2020	2021	2022
Revenue	\$3,670,758	\$4,274,471	\$5,219,339
Adj EBITDA	\$167,611	\$454,392	\$810,930
% Margin	4.57%	10.63%	15.54%
Weighted Average Adj EBITDA			\$721,795

Furniture, Fixtures, and Equipment (FF&E): FF&E of \$300,000 is included in the asking price. Shop assets include three (3) forklifts, a telehandler, presses, hose saws, hose crimpers,

multiple delivery vehicles, and optimal storage shelving, racks, and bins for product inventory. Office equipment includes state-of-the-art software system for ERP and inventory management, servers, computers, phone systems, desks, chairs, and CCTV security camera systems at both locations.

Inventory: Inventory of approximately \$1,300,000 is included in the asking price to be adjusted up or down for actual amount at time of closing. Inventory includes a wide variety of pipe, fittings, industrial and hydraulic hose, pumps, and more.

Real Estate: Real Estate includes two locations the first of which is owned by the Seller and for sale with the business. The owned Real Estate is valued at \$1,250,000 and not included in the Asking Price. The buildings have approximately 18,000 SF of warehouse and office space. The second location is 6,000 SF leased by the Seller from an unrelated party on a Net/Net lease for \$4,300/month.

Growth and Expansion: The business is an excellent strategic acquisition opportunity for someone already in the industry to acquire a brand name with an excellent reputation and long-established customer and supplier relationships. Being semi-absentee run, the business could add a new territory for an existing company without additional overhead or hiring requirements. An active owner dedicating time to the business could grow the business with existing and new customers through developing a strategic marketing plan and hiring additional salespeople and warehouse staff.

Reason for Selling: The owner is selling to retire and spend more time with family. The owner feels strongly the business is positioned well for an active individual buyer or a strategic industry buyer to take it to the next level.

Support & Training: The owner is including four (4) weeks transition training included in the asking price.