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**ID#: TEC001-C**

***FOR SALE*:** **Dropship Supplier with Established Client Base**

*Boasting substantial profit margins conjoining with extremely low overhead!*

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| **Financial Overview**  **Adjusted List Price:** **$3,250,000**  **Gross Sales**   |  |  |  | | --- | --- | --- | | **2021** | **2020** | **2019** | | $5,450,335 | $6,772,302 | $3,767,635 |   **Cash Flow (Profit & Loss Basis)**   |  |  |  | | --- | --- | --- | | **2021** | **2020** | **2019** | | $738,903 | $1,151,411 | $623,031 |  * **2-Year Avg. Cash Flow [’20-‘21]**: $945,157 * **3-Year Avg. Cash Flow [’19-‘21]**: $837,785 * **2-Year Avg. Profit Margin [’20-‘21]:** 16%   **Valuation: ’**20-‘21Cash Flow x Multiple = Valuation  $945,157 x 3.4 = $3,213,534  ’19-‘21Cash Flow x Multiple = Valuation  $837,785 x 3.9 = $3,267,362  **2022 Gross Sales Projected:** $10,000,000 |  | **Funding example**  **Purchase Price**: **$3,250,000**     |  |  | | --- | --- | | **15% Equity Roll** | $487,500 | | **15% Earn Out** | $487,500 | | **70% Paid Up Front** | $2,275,000 |   **Description**    With a well-established client base, this order fulfillment business can be run from anywhere in the United States! This business has over 75 repeat clients and relationships with over 20 vendors, this dropship company sold over $5M in 2021 and are on track to grow! In addition, they are in the goal to exceed $10M in sales this year with a 12% year over year growth in the slow season. They sell a wide variety of products, including office, janitorial, restaurant, and industrial supplies, as well as furniture and technology accessories. Being a dropship business, they carry little overhead and have an extremely efficient team of 5 contracted employees. They are currently fulfilling around 4,000 orders each month, with an increase in Q4 each year to accommodate holiday sales. If you’re looking to jump into the e-commerce space, you won’t want to miss this opportunity!  They continue to add 2-3 vendors per year, each providing a greater variety of products. Recently, they were awarded a contract to sell office supplies to a network of over 250 hospitals and 350,000 shipping locations nationwide, including doctors’ offices. 95% of revenue comes from large name marketplace retailers, while 5% comes directly from the website. 75% of website sales come from the consumer and 25% from business accounts. Their website is highly secure with the Green Address Bar SSL Certificate (highest in Industry standard, equal to bank standard) and is tested daily to ensure its durability.  This company priced at **$3,250,000** is positioned to grow and expand in the online retail space. They are qualified for Amazon Seller Prime, but not currently using it – taking advantage of this qualification would lead to a substantial increase in traffic and revenue. Securing additional contracts directly with hospitals and corporations would also boost sales. |
| **Assets**  **Intangible Assets:** Extremely low overhead, domain name and software systems. Excellent relationships with wholesalers and manufacturers |  |
| **Business Information**  **Year Established:** 2006  **Location:** Southeast US with ability to be relocated  **Clients:** Over 75 repeat clients – all dropship, specializing in hospitals  **Demographics:** Small to medium-sized business owners  **Services:** Providing over 400,000+ industrial, janitorial, office, & restaurant supplies  **Software Used:** Channel Advisor – can manage up to 1 million SKUs  **Lease:** Small storage facility used to handle returns  **Reason for Selling:** Health; Back surgery needed, can no longer sit at computer for long periods of time  **Employees:** 5 FT contracted employees located overseas  **Seller Training Period:** 1 year, but can stay longer  **Growth Opportunities:** Take advantage of Amazon Seller Prime qualification to increase traffic and revenue, secure additional contracts directly with hospitals, corporations. Expand to Canada, Mexico and European markets (already have approval). |  |
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