

FOR SALE: Public Sector Consulting Service with Niche in Tech

64% Profit Margin and Municipal Cushion From Economic Fluctuations!

Financial Overview

List Price: \$1,275,000

Gross Sales

2021	2020	2019
\$543,161	\$394,300	\$380,925

Cash Flow

2021	2020	2019
\$349,099	\$205,619	\$203,491

- **Profit Margin:** 64%
- **Multiple:** 3.65
- **Working Capital:** \$67,592

Valuation: 2021 Cash Flow x Multiple = Valuation
 \$349,099 x 3.65 = \$1,274,211

Business Information

Year Established: 2002

Location: Keizer, OR

Service Area: Primarily Oregon, with some work in surrounding states.

Services: Consulting Services: 90% technology focused including project/program management, quality management, cyber security, data management, and data planning as well as 10% organizational change management.

Clients: Public Sector of Oregon makes up about 95% of their clients, but they do have some work in the private sector as well.

Reason for Selling: Retirement/ exit strategy

Seller Training Period: 2-3 years

Growth Opportunities: Expand the public sector of the business further into surrounding states; expand the current work being done in the private sector.

Funding Example

Purchase Price: \$1,275,000

10% Buyer Down Payment	\$127,500
10% Seller Financing or Equity	\$127,500
80% Bank Loan	\$1,020,000

Description

This technology and organization consulting service has a client base that is almost entirely made up of operations in the public sector. Not only does this offer the business a buffer to keep stable during various economic fluctuations, the bidding process in this industry has removed unnecessary costs like marketing, advertising, and focused sales. This business primarily operates out of the locations of their clients as this is where they need to be to learn about the system errors and offer suggestions for improvements. These combined efforts to keep a low overhead cost margin has created a fantastic profit margin of 64%! This consulting business primarily handles technology issues relating to project or program management, quality management, cyber security, data management, and data planning. While the technology side of operations makes up about 90% of their revenue, they also offer organizational change management services. These processes include assisting clients with increasing productivity in the workplace, streamlining business practices, and evaluating the current work environment and mentality of the office.

Located in Keizer, Oregon, this business primarily operates in the public sector of Oregon. This creates room for growth with little additional resources needed by expanding the geographic services to surrounding states. Another option for expansion would include focusing more on the private sector of the business, or expanding the organizational consultancy services currently offered.

Priced at **\$1,275,000** this business is the perfect opportunity for a larger firm that is looking to add consulting services to their current portfolio and expand their existing client base. This could also be a fantastic opportunity for a young entrepreneur with experience in the tech space to get their foot in the door of consulting and business operations as the current owner is willing to stay on for 2-3 years to allow ample time for training or transitioning any and all roles necessary.

- CONFIDENTIAL -

Last Revised JB 10.25.2022