

FOR SALE: Clothing & Apparel Importing – 3 International Manufacturers

Private Label Clothing Design & Distribution!

Financial Overview

List Price: \$2,950,000

Gross Sales

2022 Ann.	2021	2020
\$11,293,064	\$7,071,629	\$4,885,866

Cash Flow

2022 Annualized	TTM	2021
\$1,197,641	\$712,832	\$530,237

Fair Market Value: 2022 Ann. Cash Flow x Multiple =
 \$1,197,641 x 2.45 = \$2,934,220

Business Information

Year Established: 2001

Location: New York City, New York; 3 factories in China, India, and Pakistan

Service Area: Entirety of the U.S., as well as parts of Europe and Canada

Services: Designing lifestyle apparel as well as importing and manufacturing apparel under private labels.

Clients: Private label companies (majority of clientele) & individual consumers via company website

Lease: 1,700/sq ft office for \$12,000/month

Reason for Selling: Retirement planning

Personnel: 7 total team members specializing in different areas such as designing, marketing, sales representatives, merchandising, and logistics.

Seller Training Period: up to 1 year (negotiable)

Growth Opportunities: Offering services to more private label companies such as Costco; expand into junior wear

Current Owners' Responsibilities: General oversight of the business including approving new designs and clothing; he lives out of state parttime and can oversee the business remotely

Inventory: Ranges between \$200K-\$2M; inventory is held for 2-10 days, it is not traditional long-term inventory, as it is all for prebooked sales. There will be \$300K in inventory included on day of close. Any amount over/under will be adjusted from the purchase price.

Funding Example

Purchase Price: \$2,950,000

12.5% Buyer Down Payment	\$368,750
12.5% Seller Financing or Equity	\$368,750
75% Bank Loan	\$2,212,500

*A 12.5% down payment of \$368,750 returns \$751,736 in the first year after debt payments! **This is a 203% ROI in the first year!***

Description

This private label clothing design and distribution company designs lifestyle apparel and imports and manufactures the apparel under private labels. With over 20 years of experience in the industry and three individual brands under their parent umbrella, this company has seen significant growth with an annualized revenue of over \$10 million for 2022. This business works with three international factories in China, India, and Pakistan and serves a wide variety of retail clients in the United States, Canada, and Europe. Specializing in creating lifestyle men's wear including t-shirts, shorts, hoodies, long sleeves, and button-ups, this could be an excellent investment and consolidation opportunity for current clothing distributors struggling to break into men's wear. Their skilled team includes 7 industry leading employees specializing in different necessary areas including design, marketing, sales, merchandising, and logistics. The current owner works remotely, and his responsibilities include general oversight of the company and approving product designs, neither of which require much time in person. The purchase of this business also includes nearly \$500,000 in business equity based on the fair market value. There are also ample growth opportunities for new ownership to move into the women's and children's clothing fields utilizing their existing client relationships and thriving reputation for high quality and uniquely styled clothing. This business has nearly \$800,000 of business equity included in the asking price based on the fair market value and the current owner has agreed to stay with the company for 1 to 2 years in order to ensure a smooth transition. On top of this, not only are the current owners offering to finance 12.5% of the purchase, but with the asking down payment of 12.5%, new owners can anticipate a 203% return on investment in the first year!

While this company's sales are primarily to private label business, they also have a well-established online shop where consumers can buy products. This online shop ships products to 8 different countries, including Germany and France. They also collaborate with up-and-coming musical artists to offer exposure for not only the artist but also for their brand. There is currently 20+ ambassadors who proudly display their clothing at concerts, musical festivals, and other public events. As far as industry uniqueness goes, they focus on keeping products "complex but simple" and stay ahead of the market.

With a price of **\$2,950,000**, this business not only offers exponential financial assets included in the asking price, it also shows great promise moving forward as it continues to preserve essential clients and is looking for new ownership.

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