

ACQUISITION OPPORTUNITY #D-1984s

CATALOG & WEBSITE DISTRIBUTOR OF SPECIALTY GIFT AND IDENTIFICATION PRODUCTS

PROFILE:

This established supplier of specialty gifts, identification and promotional products ships its merchandise to all 50 states, as well as many foreign countries. The Company produces 1.8 million catalogs annually and ships more than 65,000 orders with an average order size of \$75 - \$80. The Company has sustained sales of nearly \$5,000,000 per year in its product niche, while losses have mounted during the past three years. It seeks an acquirer that can reduce operating expenses and return it to profitability.

INVESTMENT HIGHLIGHTS:

- Long established business with sustained sales of nearly \$5,000,000 per year
- Highly diversified customer base
- Experienced, long-term employees
- 25,000 square foot warehouse and processing facility
- Same day shipping on most orders
- Skilled management team to stay on post retirement of major shareholder
- Many opportunities to grow through expanding web-based orders

PURCHASE PRICE:

The business is offered as an asset purchase, free and clear of debt and all liabilities at an asking price of \$975,000.

Assets included in the sale:	Inventory (cost)	\$350,000
	Accounts receivable	\$108,000
	Fixed assets (net)	\$ 35,000
	Trade name, customer list	<u>\$482,000</u>
	Total	<u>\$975,000</u>

Financial Summary:

Income Summary (F/Y 8/30) - 000's				
	Proj. 2008	2007	2006	2005
Sales	4,800	4,795	5,007	5,111
Gross Profit	2,930	2,950	2,873	2,973
% of Sales	61.0%	61.5%	57.4%	58.2%
ACF	50	(28)	38	43

Adjusted Cash Flow (ACF): Pre-tax profits of the business
before owners' perks & salary; depreciation & interest.

Balance Sheet (FYE 8/30/07)	
Current Assets	428
Fixed Assets	35
Other Assets	77
Total Assets	540
Current Liabilities	1,359
Long-Term Liabilities	419
Total Equity	(1,238)

FOR FURTHER INFORMATION CONTACT:



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