



A Neumann & Associates, LLC

Affiliated with Americas Largest Network of M&A Professionals

Business Profile

Engagement: 1492-2147A

Company Information

Line of business: Market Research

Location: Greater Washington D.C. Area

In Business: 30+ years

Employees: 1 FTE + Subcontractors

Facilities: Virtual Company

Reason for Sale: Retirement (consulting available)

Company Assets:

• Net Working Capital	\$15,000
• Leasehold Improvements	\$0
• Office – Furniture & Computer	\$0
• Vehicles, Trailers, Forklifts	\$0
• Equipment & Tooling	\$0
• Other	\$0
<u>Total Assets included in Sale</u>	<u>\$15,000</u>

Sales and Cash Flow: (All Information Based On P&L/Tax Returns)

<u>Fiscal Year End</u>	<u>Revenue</u>	<u>Seller Discretionary Cash Flow</u>
2023 *	\$750,000	\$425,000
2024	\$540,000	\$165,000
2025 *	\$735,000	\$265,000
2026 (e)	\$600,000	\$200,000

* bi-annual study



Executive Summary

This well-known **Specialized Market Research Firm** provides surveys, brand research and associated thought leadership to corporations, institutes and public sector entities. The firm enjoys a strong reputation and has provided ownership with a comfortable lifestyle business. This business is virtual, allowing ownership to "work where they want".

The company enjoys a **competitive advantage** by offering a highly customized client experience and obtaining data from typically hard to reach audiences. They are proven performers in this space which leads to a high percentage of repeat engagements.

It is projected that a new owner will obtain **additional growth** by expanding the direct marketing and sales efforts with minimal investment. Adding a Business Development Executive would offer additional growth opportunity. The company projects a revenue growth rate under such premise of 20%+ per year.

The company has been **fully reviewed and conservatively appraised** at 4.0x EBITDA. There is \$15,000 in Net Working Capital included in the deal. The business is pre-qualified by an SBA lender subject to buyer's financials, and by implementing the proposed deal structure an owner operator will obtain more than **\$165,000 benefit in after-acquisition-debt cash flow in Year #1 - over 100% return on equity investment.**

A comfortable **transition period** will be provided by the owner who truly wants to see the business continue to flourish. Seller will consider a mid-term consulting agreement thereafter. A very well trained and highly qualified sub-contractor research team will stay in place and support the new owner in all aspects of the business.

(ALL DATA BASED ON SIGNED TAX RETURNS)

Deal Structure **(Proposed)**

Buyer Cash Down @ Closing	\$160,000
Buyer Bank Financing	\$320,000
Seller Financing @ 9.75% / 5 years	\$80,000
Performance Based Seller Note	\$240,000
Total Purchase Price	<u>\$800,000</u>

Note: If applicable, all real estate offered by ANA Commercial Real Estate, LLC

Buyer Benefits

1) Stable business for 30+ years
2) Motivated owner helping in the transition, including potential consulting agreement
3) Significant opportunity for growth
4) Virtual approach offers location flexibility

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NOTE: All data is based on signed tax returns and financial records. A Neumann & Associates has made no investigation or verification of the information presented herein. No additional information will be released until the Buyer has been fully reviewed and sufficient cash is available.