

HKM149 – Sports Merchandise Provider for Sale – North West of England

Executive Summary

An opportunity has arisen to purchase a well-established and experienced sports merchandise company providing branded products to many of the highest profile sporting brands in the UK. This dynamic company is based in the North West of England and operates from commercial premises which include a showroom facility to display their extensive range of merchandise.

The company showcases its products developed by an in-house designer producing a constantly evolving range of bespoke branded sporting merchandise. As well as being specialists in luggage, knitwear, leather goods, souvenirs and soft toys, the business has recently added a range of homeware for 2020.

Benefitting from 20 years of industry experience, the company has developed a thriving client base consisting of top sporting brands throughout Europe, providing its clients with a range of merchandise for retail, corporate and membership purposes.

The company supplies its merchandise across the sporting spectrum and has key customers in sports football (Premier League, Championship, League 1, Scottish Premiership) rugby (League and Union) and cricket.

The largest customer is one of the top English Premiership football teams in the UK who the company have been providing its products to for 4 years, now generating an average annual turnover of c.£250k p.a.

The company maintains an advantage over its competitors by being able to offer a wide range of goods across multiple product lines and categories. Most of the company's key competitors are either small businesses limited by specialising in specific products or categories, or larger scale companies which demand large production runs and concentrate on licence deals.

The company is led by a highly capable Operations Manager (non-shareholding) who has been with the company for 3 years and who runs the company day to day. The company has no critical dependency on the current shareholder.

This company is well positioned for further growth with a number of high-profile potential clients in the pipeline. The company has also identified realistic and attainable opportunities for expansion within its existing sporting client base from the professional football and rugby leagues, as well as expansion to additional sports and retail partnerships with kit suppliers.

Highlights

- 20 of industry experience
- Recognised as a provider of quality merchandise for top sporting brands
- Client base of Premier League, Championship, League 1 and Scottish Premiership football brands and Premier Rugby brands
- Extensive range of sports merchandise for retail, corporate and memberships
- In-house designer
- Wide range of goods across multiple product lines and categories
- Strong leadership in place
- Strong sales pipeline
- Realistic and attainable opportunities for expansion

Financial Overview

Y/E:	2017	2018	2019	2020	2021 (F/C)
Sales revenue	£2,412,725	£2,349,805	£2,182,279	£1,413,630	£2,310,000
Gross profit	£695,559	£644,647	£798,404	£508,907	£831,600
<i>Percentage</i>	29%	27%	37%	36%	36%
Adjusted EBITDA	£488,549	£425,352	£580,428	£413,427	£613,915
<i>Percentage</i>	20%	18%	27%	29%	27%

Offers invited