**Specialty Food Manufacturer / Distributor**

**Offered for $795,000**

This business is a specialty food manufacturer/distributor focusing on items related to the historic and much popular food culture of the Lowcountry.

Purchased through Charleston Business Brokers in February 2014, the current owners have steadily grown the business to $1.1mm+ in gross sales for 2018. They have done so by introducing new products and expanding the distribution network. Prices have not been increased in the past 5+ years.

2018 adjusted net income with owner’s compensation and benefits included was $244,007, which is 21.9% of gross sales.

There are significant and substantive existing growth opportunities with this business. In addition to the ability to increase pricing, geographical growth beyond the existing base (primarily coastal South Carolina) is both a ripe opportunity and readily available within the current distribution network (see Distribution section). With the level of tourism in this area and the amount of national press coverage of the local food scene, national brand expansion is a reasonable target for the acquiring party.

Having purchased a second business through Charleston Business Brokers in early 2018, the owners desire to focus their attention on the newer business prompting the sale of the subject business.

**Products**

The business manufactures and/or distributes approximately 130 skus.

The below chart shows sales by product type for 2018. The included categories represent 79% of annual sales.

**Distribution**

Most larger store chains that are serviced operate in what is called Direct Store Delivery (DSD). The business operates as the vendor and distributor. As a DSD vendor they take and manage orders, deliver, rotate product and clean shelves and replace out of date or damaged product. The business is operating in the following chains:

**Harris Teeter** – Currently serve as DSD in 18 locations between Charleston and Hilton Head markets. The business is approved for additional markets including Florence (1 store) and the Charlotte market (45 stores) as well as any other HT stores that can be serviced through future route development.

**Food Lion** – Currently provide several items to all 113 Food Lion stores within SC via their warehouse. Pallets are shipped directly to their warehouse direct from the business location or from the copacker.

**Piggly Wiggly** – Products are in about 15 Piggly Wiggly stores currently. These are a hybrid type delivery as the store places their own orders and manages it on the shelf. The business only delivers or ships. More stores can be added if growth is desired.

**BiLo** (owned by Southeastern Grocers) – Approved for every BiLo within the state of SC for DSD. Currently servicing four stores.

**Lowe’s Foods** – Currently in two stores in the Charleston area. Owner believes authorization to enter additional stores in the Columbia and Myrtle Beach areas can be obtained.

**Whole Foods** – Authorized in this chain, currently only supplying the Mt Pleasant location.

In addition to the above chains, some other locations served by the business are:

**Airports** – Currently provide product to the following airports Charleston, (2 separate customers with multiple retail locations), Myrtle Beach, Columbia and Greenville/Spartanburg.

**Charleston Old City Market and Vicinity** – There are about 9 different retailers in the market and nearby carrying the business’ products.

**Hotels** –Numerous hotels downtown and throughout the area purchase products for in-room amenities and in some case are for sale to guests.

**Online** - $85,000+ online sales for 2018. There were 29,271 visits to the web site in 2018.

**Staff**

In addition to the owners who fill management roles and wear the multiple hats typical in an entrepreneurial environment, the business is staffed by (2) bakers (3) production personnel (1) production supervisor (1) bookkeeper and (2) delivery/ warehouse personnel.

**Facilities, Equipment, Brands, etc.**

The business operates in 4,355 sq ft of leased space. The current term expires November 30, 2020. There are two options, each for five years.

The facility is FDA approved.

All of the necessary equipment to continue the operations turn-key are included in the sale including three wrapped delivery vans.

The sale also includes three brands, all associated trademarks, artwork, UPCs, recipes, formulations, specifications, web sites, social media accounts, supplier and customer lists.

For more information contact Scott C. Hopper at Charleston Business Brokers 843/343-5765 SH@CharlestonBusinessBrokers.com

Full information disclosure will be made to qualified interested parties upon execution of a Non-Disclosure Agreement.