

FOR SALE: Technology Development & Consulting Firm

Fortune 500 clients with a focus in high tech and aerospace

Financial Overview

List Price: \$2,600,000

Gross Sales

2016: \$5,852,783

2015: \$7,238,047*

2014: \$4,979,256

Owner Profit/Cash Flow

2016: \$852,863

2015: \$492,578

2014: \$446,262

Multiple: 4.75

Valuation: 2017 Annualized Cash Flow x Multiple = Price

\$547,256 x 4.75 = \$2,599,466

*2015 Gross Sales were higher due to assisting a client with infrastructure building – when that was complete, ongoing service was minimal

Assets Included in Purchase: \$524,038

Equipment: Office furniture and fixtures

Intangible Assets: Relationships, reputation, contacts

A/R: \$524,038

**amounts may vary*

Business Information

Years in Business: 25

Location and Service Area: Atlanta

Services: Software development, PLM software, software configuration management, software QA/testing, telephony engineering

Industries: High Tech, Aerospace, Manufacturing, Media & Information Services, Telecommunications, Healthcare, Defense

Lease: Small office space is rented – employees are able to work from home but come into the office 2 to 3 days per week

Reason for Selling: Retirement

Employees: 40 – Recruiting/Sales, Resource Manager, 2 in Billing/Payroll; about 35-40 Software & Aerospace Engineers (some W2, some 1099)

Seller Training Period: Negotiable

Growth Opportunities: Bid more contracts

Current Owner's Responsibilities: Manages accounts, employee oversight, oversees financials.

Funding Example

Purchase Price: \$2,600,000

15% Buyer Down Payment: \$390,000

10% Seller Financing: \$260,000

75% Bank Loan: \$1,950,000

A 15% down payment profits \$461,208 in the first year after debt payments.

Description

Located in Atlanta, this technology development and consulting firm has Fortune 500 clients focused in the high tech and aerospace industries. Specializing in placing skilled engineers on site to build custom applications and software, notable clients have included 3M, Intel, Gulfstream, Scientific Games and more. The seller is currently working on securing contracts in the defense arena that should prove to be a great growth opportunity.

Having made a name for itself over the past 25 years, the company continues to grow and now works with between 35 – 40 engineers on nationwide projects. However, the majority of clients require service in the Atlanta area. Engineers will travel where the client needs them, including overseas, which occurs roughly 5% of the time.

Growth exists in bidding more contracts. The seller had a large infrastructure build contract in 2015 that bumped gross sales to over \$7M. Seeking out more of those opportunities, as well as government contracts, will provide great income streams.

Next Steps

For a detailed financial package, please contact Cortney Sells or one of The Firm Business Brokerage's professionals at 402.998.5288 or email Confidential@TheFirmB2B.com.