



THE VELD  
GROUP  
LOS ANGELES • TOKYO

# OPPORTUNITY OVERVIEWS

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## **Purpose**

These Business Opportunity Summaries, presented by The Veld Business Advisory Group, Inc. (“The Veld Group”) are intended to acquaint a prospective purchaser with relevant preliminary information regarding business opportunities which are currently available for acquisition, sale or merger. The overall format of these Business Opportunity Summaries are concise by nature, as they are designed to provide prospective purchasers broad overviews, rather than disclosing any potentially confidential data about opportunities indicated herein.

Additional details, and frequently, comprehensive business reviews of the opportunities included herein may be obtained upon receipt of an appropriate non-disclosure statement (“NDA”). Depending on the nature of the business opportunity offered (i.e. the level of confidentiality that our clients have requested, the asking price, etc.), a statement of financial capability or a demonstration of ability to finance may also be required. These forms, which may be returned via fax to 310.652.8363, or regular mail, are included as Appendix 1 and 2 of this document.

## **Confidentiality and Disclaimer**

These Business Opportunity Summaries, prepared by The Veld Group, are based upon materials provided and information supplied by our client company, pursuant to The Veld Group’s engagement by the Companies. While the information contained herein is believed to be accurate, The Veld Group has not conducted any audit or investigation with respect to such information, and expressly disclaims any and all liability for representations, expressed or implied, contained in, or for omissions from, these or any such Business Opportunity Summaries. Only those particular representations and warranties which may be made by the Company in a definitive written purchase agreement, when and if one is executed, and subject to such limitations and restrictions as may be specified in such purchase agreement, shall have any legal effect.

By acceptance of these Business Opportunity Summaries the recipient acknowledges their responsibility to perform a due diligence review at their own cost prior to any acquisition of or merger with the companies described herein. Further, while certain details of the business opportunities indicated herein may allow prospective acquirers or other intermediaries to ascertain the identity of our clients, the recipient of this document agrees that all communications will be conducted through The Veld Group or its appointed representatives.

## Main Street Opportunities

# FLOWER SHOP OPPORTUNITIES

## 1. Westside Flower Shop with A+ Location

<b>Business</b>	<b>Flower Shop With A+ Location</b>		
Location / Address	<b>West Los Angeles, CA</b>		
Industry Description	<b>Flower Shop</b>	SIC	<b>5992</b>
Days Open	<b>6</b>	Year Established	<b>1989</b>
Hours of Operation	<b>M-F 9-5 Sat 9-2</b>	Years Owned	<b>1</b>
Full-time Employees	<b>Owner</b>	Part-time	<b>1</b>
Other Notes	<b>Fantastic Website included</b>		
Hours/wk by Owner	<b>30</b>	Owners Duties	<b>Various</b>
Skills / Licenses Req'd	<b>None</b>	Training Offered	<b>TBD</b>
Non-Compete Terms	<b>As required</b>		
<b>Exec. Summary</b>	<b>Fantastic, well-established turn-key flower shop in excellent location.</b>		
Lease / Bldg. Info.	<b>1<sup>st</sup> Floor of Building</b>	Monthly Rent	<b>\$1,928/mo</b>
Lease Commenced	<b>n/a</b>	Deposit	
Lease Expires	<b>April 2008</b>	Term & Option	<b>5yr w/option</b>
Bldg./Area Description	<b>Commercial</b>	Square Footage	<b>1,100 Sq. Ft.</b>
Seats, Pkg, Zoning, etc.			
<b>Reason for Sale</b>	Personal		
<b>Financial Summary</b>	<b>Current Yr. Annual</b>	<b>2003 / Owner to Prove</b>	<b>2002 / Owner to Prove</b>
Gross Revenue	<b>As 2003</b>	<b>\$170,000 (Apr. – Apr.)</b>	<b>\$180,000</b>
COGS		<b>\$50,000</b>	
Rent / CAM		<b>\$23,136</b>	
Payroll		<b>\$5,000</b>	
Net Profit (before tax)		<b>\$62,000</b>	
Discretionary Cash		<b>\$62,000</b>	
<b>Expense Breakdown</b>			
<b>Included in Sale</b>	<b>Assets</b>		<b>Liabilities</b>
FF&E Included	<b>\$20,000</b>	Lease Obligations	<b>CC machine, Post Meter</b>
Inventory Included	<b>\$3,500</b>	Debt Included	<b>\$0</b>
Other Assets Included	<b>\$5,000 Web site</b>	Other Liabilities	<b>\$0</b>
Working Capital (not incl)		Return on Sale Price	<b>\$0</b>
<b>Asking Price</b>	<b>\$170,000</b>	Owner Financing/Terms	<b>TBD</b>
Earnest Money Dep.	<b>\$10,000</b>	Down Payment	<b>TBD</b>

## Opportunity Summary

<b>Headline</b>	<b>Flower Shop With A+ Location</b>
<b>Summary</b>	<p>This full-service flower shop is located in the heart of a major West Los Angeles beach city and serves Beverly Hills, Century City, Malibu, Santa Monica, Marina Del Rey, Pacific Palisades and Malibu. With its fantastic location and excellent access to various freeways, the shop poses a great opportunity for someone new to the flower business, as well as an existing owner looking to expand. The sale includes the flower shop's fully functioning website and highly diversified (i.e. stable) client base comprised of the following sales/delivery channels: 26% FTD and Teleflora wire services; 64% Walk-ins, 8% Inbound Calls, and 1% Internet. From April 2003 to April 2004, the shop's gross revenues were approximately \$170,000, after deductions for wire services (\$215,000 without deductions).</p>
<b>Facilities / Assets</b>	<p>The flower shop occupies approximately 1,100 square feet plus a large storage area. The business comes fully equipped with a full size refrigerator, a fully functioning website, two computers, and enough inventory to get a new owner off to a running start. Furniture, fixture and equipment are valued at \$20,000 (not including the initial build-out), with inventory of \$3,000+ and a \$5,000 website.</p>
<b>Competition</b>	<p>Competition is deemed moderate in this urban, high traffic area. This shop does maintain significant name recognition, excellent referrals, as well as a well established corporate client base.</p>
<b>Growth Potential</b>	<p>At present, the flower shop does very little advertising. With the fantastic reputation and a complimentary website, there is tremendous potential for a new owner to maintain continued growth via aggressive advertising.</p>
<b>Other</b>	

## 2. Hollywood Flower Shop

<b>Business</b>	<b>Flower Shop</b>		
Location / Address	<b>Hollywood, CA</b>		
Industry Description	<b>Flower Shop</b>	SIC	<b>5992</b>
Days Open	<b>6</b>	Year Established	<b>1979</b>
Hours of Operation	<b>M-F 9-5 Sat 9-2</b>	Years Owned	<b>2</b>
Full-time Employees	<b>1</b>	Part-time	<b>2</b>
Other Notes	<b>Fantastic Website Included</b>		
Hours/wk by Owner	<b>30</b>	Owners Duties	<b>Various</b>
Skills / Licenses Req'd	<b>none</b>	Training Offered	<b>2 weeks 20 hours</b>
Non-Compete Terms	<b>2 years, 5 miles</b>		
<b>Exec. Summary</b>	<b>Fantastic, well-established turn-key flower shop in excellent location.</b>		
Lease / Bldg. Info.	<b>Small Mall</b>	Monthly Rent	<b>\$1,050</b>
Lease Commenced	<b>n/a</b>	Deposit	
Lease Expires	<b>Month to Month</b>	Term & Option	<b>5yr</b>
Bldg./Area Description	<b>Commercial</b>	Square Footage	<b>Approx. 700</b>
Seats, Pkg, Zoning, etc.			
<b>Reason for Sale</b>			
<b>Financial Summary</b>	<b>Current Yr. Annual</b>	<b>2003 / Owner to Prove</b>	<b>2002 / Owner to Prove</b>
Gross Revenue	<b>\$53,084 thru 05/04</b>	<b>\$105,448</b>	
COGS		<b>\$37,081</b>	
Rent / CAM		<b>\$12,600</b>	
Payroll		<b>\$12,000</b>	
Net Profit (before tax)			
Discretionary Cash		<b>\$36,000</b>	
<b>Expense Breakdown</b>			
<b>Included in Sale</b>	<b>Assets</b>		<b>Liabilities</b>
FF&E Included	<b>\$11,000</b>	Lease Obligations	<b>CC machine, Post Meter</b>
Inventory Included	<b>\$2,000</b>	Debt Included	
Other Assets Included	<b>\$5,000 Web site</b>	Other Liabilities	
Working Capital (not incl)		Return on Sale Price	
<b>Asking Price</b>	<b>\$55,000</b>	Owner Financing/Terms	<b>OWC over \$25,000</b>
Earnest Money Dep.	<b>\$5,000</b>	Down Payment	<b>\$25,000</b>

## Opportunity Summary

<b>Headline</b>	<b>Hollywood Flower Shop</b>
<b>Summary</b>	Quaint flower shop in business in the same Hollywood location since 1979! Central location with fantastic access to the 101 freeway. The sale includes the flower shop's fully functioning website and highly diversified (i.e. stable) client base comprised of the following sales/delivery channels, each contributing approximately 25% of revenues: Corporate Accounts, Inbound Calls, Walk-ins, and Internet. 2003 gross revenue were \$105,000, with \$36,000 in net profits. Through May 2004, revenues have been up 17%. This opportunity is priced at \$55,000, with the owner willing to train and carry a note if necessary.
<b>Facilities / Assets</b>	The flower shop occupies approximately 700 square feet, on two floors. The business comes fully equipped with a large refrigeration system, a fully functioning website, a surveillance camera, two computers, and enough inventory to get a new owner off to a running started. Furniture, fixture and equipment is valued at \$11,000 (not including build-out), with inventory of \$2,000+ and a \$5,000 website. The second floor of the business, or the "loft" is set up as a rest area, furnished with a couch. The shop does have an established Teleflora Association, providing worldwide delivery access.
<b>Competition</b>	Competition is deemed moderate in this urban, high traffic area. This shop does maintain significant name recognition, because of its long-standing location.
<b>Growth Potential</b>	At present, the flower shop does very little advertising. With the fantastic reputation, and complimentary website, there is tremendous potential for a new owner to maintain continued growth via aggressive advertising.
<b>Other</b>	

## **Appendix 1 – Offer to Purchase Agreement**

**Available Upon Request**