

# Available for Acquisition #19802



## Sleeper Sofa eCommerce Retailer

ACT Capital Advisors is pleased to offer the leading national retailer of high-quality sleeper sofas via their e-Commerce website. Originally starting in the early 1990's as a traditional physical retailer the owners have invested heavily in two e-Commerce sites that now generate over 65% of their sales.

### Investment Highlights

**eCommerce Sites Provides Scale Opportunities:** The Company runs two of the top ecommerce sites for sleeper sofas. One site is exclusively dedicated to sleeper sofas, while the other caters to a broader variety of high-quality furnishings designed for small spaces. In 2018, the Company invested over \$170K in website enhancements and SEO. These efforts are now producing results.

**Small Footprint Bricks and Mortar Presence:** The Company has a small physical presence that satisfies the showroom requirements for all brands currently sold. The showroom generates consistent sales from the local market it serves.

**Private Label Brand:** The Company has developed a successful private label brand giving it pricing and strategic selling flexibility.

**Logistical Infrastructure:** The Company has optimized a host of delivery methods, depending on the order and vendor, for reducing shipping costs and timelines.

**Hospitality Sales Channel:** The Company has successfully developed sales relationships with leading national Hospitality chains like Marriott and Hyatt. Hospitality industry operators value the spatial efficiency and functional versatility that sleeper sofas offer, and the Company's management is optimistic about the potential for high-margin growth in this segment.

**Short-Term Rental Platforms:** The growing movement towards the "Shared Economy" facilitated by platforms like AirBNB and VRBO are providing new growth opportunities for the quality foldable furniture market.

**U.S. Based Manufacturers:** Over 90% of the products sold by the Company are domestically sourced and are not subject to China trade war related tariff.

### Summary Financial Performance (in \$USD)

Metric	2016	2017	2018	2019E	2020E	2021E	2022E
Revenue	\$4.7MM	\$4.6MM	\$4.5MM	\$4.5MM	\$4.9MM	\$5.2MM	\$5.5MM
Gross Margin	43.8%	47.0%	43.8%	44.0%	44.0%	44.0%	44.0%
Adj. EBITDA	\$307,465	\$494,349	\$278,158	\$355,524	\$381,046	\$407,719	\$432,182

### Contact Information

Interested parties should execute the attached Non-Disclosure Agreement ("NDA") and return to ACT Capital Advisors with a written request to receive the Confidential Information Memorandum ("CIM").

**NDA's and CIM requests should be submitted to Mike Seeley, Associate**

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