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***EBB Group of Texas  
LLC***

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**Confidential  
Business Portfolio**

***Direct Mail Company***

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**Member TAPP and IDPA**

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## **DISCLAIMER NOTICE TO PURCHASERS**

Due to the confidential nature of this business, this portfolio is NOT intended to divulge all details or specifics of the subject business to protect the company's identity.

The asking price and terms of this offering are subject to change, without prior notice, due to ongoing business activities.

The potential purchaser should not rely solely on the representations made in this offering, but should make his or her own determinations. After an agreement in principal has been executed, the purchaser will be given a period of due diligence to audit the company's business records and assets prior to closing any resulting transaction.

The purchaser represents that he or she is aware that all information necessary to make a decision to purchase this business is not contained herein. The purchaser accepts responsibility for verifying all material facts, revealed or not, that may affect the value or legality of any proposed transition.

**EBB Group of Texas LLC ( "EBB of Texas") has not audited or caused an audit of any data represented herein, and accordingly, EBB of Texas makes no representations, expressed or implied, as to the financial statements, forecasts, market assumptions or any other information presented or any conclusions to be drawn therefrom. Further, EBB of Texas, makes no representations and gives no assurances that any purchaser will do as well as indicated in this document. Therefore, any prospective purchaser should rely only upon information he or she personally verifies.**

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## **BUSINESS SUMMARY**

Empire Business Brokers is offering for sale a very long standing and truly outstanding company in the DFW area. They have grown from about \$2 million in revenue 6 years ago to doing \$8.7 million in 2006. They are on target to hit over \$10 million in 2007. Their services include Automation Letter Shop / Mail Shop, Printing, Business Reply Mail Management, Fulfillment and Document Preparation, as well as all types and service levels of Presort services. The company is a "Full Service" company and is not limited as to what services they can provide their customers.

The company operates primarily out of a 44,800 sft facility in the Dallas area. Currently, over 300 customers are served by approximately 45 full-time employees and up to 50 part-time personnel. The business operates around the clock: 24 hours, 7 days a week, 365 days a year. Since all scheduling is done to ensure 100% on-time performance, flexible scheduling of overlapping crews crossing various operational departments are available. Virtually all of our services are available year round, excluding mailing and presort services closed only on USPS recognized holidays. Most of the customers are Fortune 500.

The equipment is all state of the art and fully integrated to allow them to be able to tract jobs to the exact piece by remote computer so the owner does not have to always be on premise to insure that jobs are 100% accurate.

The business is set up as a partnership and is classified as a woman owned business with 51% ownership by the founders wife. The owner is willing to stay on past the transition time to focus on new customer sales.

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# *Services Provided*

**Lettershop/Mail Merge/Personalized Mailing:** Their expertise in specific matching and closed face envelopes insures the contents of the mail piece are delivered to the intended recipient. They will accept data in most any format. Their full-service lettershop presorts your data file, merges the data into your printed document and prints the completed document on several laserjet printers. Self-mailers are completed with your choice of tabs. Letters and forms can be inserted into a variety of different size window or closed-face envelopes. Specific matching of components and/or envelopes is also available. We offer many onsite finishing processes, including folding, automated inserting, manual inserting, stitching, booklet making, and shrink wrapping. In addition, we can manage your offset and digital print projects from beginning to end.

**Presort:** The company is MASS and CASS certified by the U.S.P.S. This data processing technique reduces your cost of postage in mass mailings by cleansing your database of undeliverables and adding Delivery Point Barcode to automate your mail piece. We specialize in Flat and Irregular size Automation Presort with Multi Line-OCR capabilities that will read your label or through window envelopes and spray the appropriate 11 digit DP Barcode. The mail piece is sorted and presented to the U.S.P.S. at Automated Presort Postal Rates, resulting in substantial postage savings.

**Addressing/Labeling:** Pressure sensitive or direct "Ink Jet" printing for a professional image is executed quickly with a Buskro high-speed ink-jet addressing system. Tab closures and stamps are applied using in-line Buskro high-speed automated equipment. They are the first direct mail company to acquire a Buskro Ink Jet addressing with both Atlas and HP print head technologies configured to operate simultaneously. Their newest system is configured with 6 print heads, enabling them to print a return address, indicia, recipient address, logo, graphics and marketing message in up to 4 colors and/or on most coated stocks in a single pass.

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## *Services Provided*

**Handwork:** The company enjoys the reputation as the premiere hand-fulfillment company in the DFW Metroplex. The company was founded to meet the hand fulfillment needs of J.C. Penney Life Insurance. From those humble beginnings, they have leveraged that experience to grow the hand fulfillment business. Customers rely upon them to complete both simple and their most complex projects. They have an extensive capability including packaging, pick-and-pack, matching, collating assembling and shipping.

**P.O. Box Management/ Mailroom Operations:** They have a broad proficiency for receiving, tracking, opening, batching, prepping and sorting documents for database conversion services. Business Reply Mail is collected and processed according to each job's specifications. They manage and maintain incoming P.O. Boxes for business reply mail, customer service inquiries, consumer rebates, and international customers. For programs that trigger a response back, such as rebate programs for customer registration cards, the company can manage both ends of the project. Both product and cash incentive programs are effortlessly executed. They collect and process the responses. This information can be communicated back to the customer electronically to verify eligibility. The program is completed by sending the product or cash incentive. All balances are reconciled and product inventories tracked. They offer full-service mailroom outsourcing for sorting and collating utilizing both mechanical and hand methods. Through customer partnerships, incoming mail is sorted and forwarded according to employee and department data files. For example, they collect domestic mail for U.S. Nationals working abroad and forward their mail to the appropriate international company location. The employee receives their mail in a timely fashion each day, making their stay abroad more comfortable. Likewise, they can sort and forward any or all of your incoming corporate mail domestically and internationally.

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## **BUSINESS DATA**

Check one: \_\_\_ C - Corporation \_\_\_ Proprietorship X Partnership

Describe business, products and services: **Full service direct mail services** Days and hours of operation: **Monday-Friday 8:00 am to 5:00pm.**

## **HISTORY OF BUSINESS**

Date Started: **1991** Time owned by present owners: **2001**

How long at present location? **2 years**

Major changes in business in last 5 years: **Boom in upscale market, advances in materials, and consolidation of other companies**

## **LOCATION**

Location of business(state or region) : **Dallas proper**

Advantages of location: **Centrally located, close to Hwy 635 and Hwy I35**

Describe area around location: **Industrial area with easy access to main highways. First rate industrial park.**

## **FACILITIES**

Size and description of building: **44,800 sf with office space, showroom, and warehouse. Plenty of room for growth** Property is **Leased** Valuation of property: **NA**

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## **MANAGEMENT & PERSONNEL**

Management: **The owner is hands on, but they have many long term loyal employees that allow the business to run smoothly**

Total number of: **40 Full-time employees with owners wife in the business.**

## **MARKETING**

Market area: **Local X State X National X International**

How products/services are marketed: **Relationships and word of mouth, also a very professional webpage.** Comments: **They are very well known in the industry and have a wide range of contacts, with a sterling reputation for service and quality.**

## **COMPETITION**

Comparative industry reputation: **Excellent**

Competitive position in market: **Leader**

Comparative quality vs. competition: **superior**

Competitive advantages: **Established name, reputation, vendor relations, marketed as high end performance, price competitive producer. Outstanding systems in place to track millions of pieces.**

## **Revenues Year Ending December 2007**

**\$10,456,932**

Comments: **2006 sales were \$8,732,699 and 2008 revenue through 1<sup>st</sup> quarter was \$3,600,000, they are on target to do about \$13mm**

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## **ACCOUNTS RECEIVABLE**

Percent of business cash 10% 30days 80% 30-60days 10%

Total Accounts Receivable on Average: \$500,000 - \$700,000

## **INVENTORY**

Date last physical inventory: 12/31/07 Valuation method: at cost

Last book value of inventory: \$152,000, other all in work in process

## **EQUIPMENT**

Description: Assets valued at about \$3,000,000 including about \$2,700,000 in equipment.

## **PRICE & TERMS**

Total selling price of business (includes amounts below): \$12,500,000 .

## **OTHER**

Seller will stay and train new owner for up to 6 months or longer if necessary

Seller will sign a non-compete agreement for a negotiated period of time and area

Reason for selling: Wife wants him to take a couple of years off, she came from a very prominent family in Texas.