

Profit Multiples Report 2020

Sector	Sub-Sector	Number of Reported Sales	Median Sales Price	Median Asking Price	Sales to Asking Price (average)	Median Revenue	Revenue Multiple (average)	Median Profit	Profit Multiple (average)
Agriculture	Greenhouses	2	760,000.00	835,000.00	0.91	397,000.00	1.91	138,000.00	5.51
	Other Agriculture Businesses	8	734,500.00	699,500.00	0.96	1,292,550.00	0.52	207,068.50	3
	Magazines and Newspapers	11	390,000.00	400,000.00	0.84	453,256.00	0.83	140,000.00	2.32
	Production Companies	6	285,000.00	325,000.00	0.79	563,632.00	0.53	121,793.00	1.96
	Other Communication and Media Businesses	20	599,000.00	649,000.00	0.86	647,000.00	0.74	211,930.00	2.33
Construction	Concrete Businesses	11	700,000.00	700,000.00	0.96	1,173,300.00	0.5	371,000.00	2.23
	Electrical and Mechanical Contracting Businesses	43	595,000.00	600,000.00	0.9	1,212,300.00	0.44	282,914.00	2.33
	Heavy Construction Businesses	13	949,999.00	949,999.00	0.98	1,892,069.00	0.6	380,057.00	2.65
	HVAC Businesses	59	492,500.00	512,500.00	0.9	1,037,244.00	0.51	249,255.00	2.42
	Plumbing Businesses	33	900,000.00	595,000.00	0.98	1,341,304.00	0.6	309,000.00	2.6
	Other Building and Construction Businesses	198	670,000.00	725,000.00	0.91	1,495,474.00	0.56	300,794.00	2.35
Manufacturing	Auto, Boat and Aircraft Manufacturers	10	1,030,000.00	1,162,500.00	0.95	2,040,507.50	0.65	394,868.50	3.15
	Chemical and Related Product Manufacturers	3	4,800,000.00	4,900,000.00	0.98	4,600,000.00	1.04	1,410,000.00	3.4
	Clothing and Fabric Manufacturers	12	180,000.00	329,000.00	0.81	526,584.00	0.56	144,353.00	2.14
	Electronic and Electrical Equipment Manufacturers	13	1,000,000.00	1,000,000.00	0.9	1,775,000.00	0.64	266,500.00	3.21
	Energy and Petroleum Production Businesses	5	3,337,500.00	3,447,500.00	0.78	5,185,119.50	0.52	764,767.50	3.7
	Food and Related Product Manufacturers	24	675,000.00	675,000.00	0.95	1,100,000.00	0.91	230,000.00	3.1
	Furniture and Fixtures Manufacturers	16	1,100,000.00	1,200,000.00	0.92	2,000,000.00	0.5	350,000.00	2.7
	Glass, Stone and Concrete Manufacturers	6	210,000.00	225,000.00	0.9	1,043,546.00	0.43	108,628.00	2.38
	Industrial and Commercial Machinery Manufacturers	16	2,350,000.00	2,671,500.00	0.9	2,758,501.00	0.75	553,500.00	3.57
	Lumber and Wood Products Manufacturers	11	999,595.50	967,500.00	0.98	1,472,869.00	0.64	407,071.50	2.87

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	Machine Shops and Tool Manufacturers	43	1,200,000.00	1,064,709.00	0.93	1,420,594.00	0.75	339,770.00	3.06
	Medical Device and Product Manufacturers	10	722,500.00	722,500.00	1.05	934,992.50	0.65	241,500.00	3.09
	Metal Product Manufacturers	38	1,140,000.00	1,200,000.00	0.93	1,617,578.00	0.63	382,584.00	3.21
	Packaging Businesses	4	1,200,000.00	1,400,000.00	0.75	2,338,000.00	0.54	404,000.00	3.06
	Paper Manufacturers and Printing Businesses	21	284,500.00	297,000.00	0.87	523,180.50	0.56	129,295.00	1.98
	Rubber and Plastic Products Manufacturers	3	725,000.00	750,000.00	0.85	700,000.00	0.86	238,529.00	2.49
	Sign Manufacturers and Businesses	36	329,500.00	329,500.00	0.9	600,000.00	0.63	162,758.00	2.31
	Other Manufacturing Businesses	36	800,000.00	975,000.00	0.86	1,665,636.00	0.74	348,100.00	2.88
Online and Technology	Cell Phone and Computer Repair and Service Businesses	19	110,000.00	142,497.50	0.86	315,301.00	0.49	74,086.00	1.73
	Graphic and Web Design Businesses	6	150,000.00	157,000.00	0.89	328,995.50	0.89	70,874.00	2.14
	IT and Software Service Businesses	39	957,500.00	1,049,500.00	0.86	1,425,818.50	0.83	287,824.00	2.78
	Software and App Companies	19	300,000.00	350,000.00	0.88	383,000.00	1.37	193,385.00	3.01
	Websites and Ecommerce Businesses	301	587,000.00	610,500.00	0.98	784,593.50	1.16	220,256.00	3.11
	Other Online and Technology Businesses	18	989,500.00	1,070,000.00	0.92	1,458,285.50	0.78	371,707.00	2.65
Real Estate	Business Real Estate for Lease	1	555,000.00	675,000.00	0.82	383,083.00	1.45	174,687.00	3.18
	Real Estate Businesses	23	600,000.00	749,000.00	0.8	720,000.00	0.83	114,000.00	5.26
Retail	Art Galleries	6	97,000.00	114,900.00	0.84	210,000.00	0.46	64,000.00	1.52
	Bakeries	56	200,000.00	249,000.00	0.85	540,000.00	0.43	108,500.00	1.95
	Bars, Pubs and Taverns	212	220,000.00	250,000.00	0.88	616,480.00	0.48	100,000.00	2.55
	Bike Shops	9	153,500.00	177,500.00	0.93	592,780.00	0.29	115,068.50	1.61
	Breweries	13	265,000.00	295,000.00	0.92	767,000.00	0.47	82,771.00	2.85
	Building Material and Hardware Stores	27	865,000.00	852,000.00	1.09	1,773,500.00	0.58	292,787.50	2.91
	Car Dealerships	9	150,000.00	295,000.00	0.88	1,110,361.00	0.27	120,000.00	2.73

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	Clothing and Accessory Stores	65	155,000.00	195,000.00	0.87	516,000.00	0.48	91,872.00	2.27
	Coffee Shops and Cafes	118	99,000.00	120,000.00	0.86	379,956.00	0.36	67,983.00	1.96
	Convenience Stores	210	157,500.00	192,497.50	0.88	626,605.50	0.37	99,500.00	2.24
	Dollar Stores	13	100,000.00	100,000.00	0.96	464,000.00	0.28	86,240.00	1.32
	Donut Shops	6	160,000.00	162,500.00	0.94	349,394.00	0.59	109,235.00	1.85
	Equipment Rental and Dealers	3	420,000.00	420,000.00	1	568,934.00	0.83	140,757.50	2.47
	Flower Shops	35	114,999.00	125,000.00	0.91	372,000.00	0.34	70,000.00	1.76
	Food Trucks	9	137,450.00	149,000.00	0.88	246,084.50	0.84	74,848.50	2.13
	Furniture and Furnishings Stores	27	500,000.00	512,500.00	0.92	945,329.50	0.56	176,500.00	2.7
	Gas Stations	183	350,000.00	395,000.00	1.02	2,272,744.00	0.31	161,557.00	2.91
	Grocery Stores and Supermarkets	57	600,000.00	699,000.00	0.97	2,900,000.00	0.37	280,000.00	3.05
	Health Food and Nutrition Businesses	15	175,000.00	200,000.00	0.93	462,399.00	0.43	127,128.00	1.66
	Ice Cream and Frozen Yogurt Shops	123	140,000.00	184,500.00	0.88	340,077.50	0.52	79,523.00	2.24
	Jewelry Stores	6	385,000.00	385,000.00	1	1,272,146.00	0.3	207,286.00	1.86
	Juice Bars	23	150,000.00	179,000.00	0.91	442,000.00	0.41	96,000.00	1.94
	Liquor Stores	326	350,000.00	395,000.00	0.94	1,000,000.00	0.42	146,000.00	2.8
	Marine/Boat Services and Dealers	20	1,050,000.00	1,090,000.00	1.05	4,167,705.50	0.47	431,515.00	2.61
	Nursery and Garden Centers	12	395,000.00	550,000.00	0.88	675,000.00	0.46	150,000.00	2.65
	Pet Stores and Supply Businesses	21	179,250.00	188,500.00	0.87	629,571.50	0.33	100,000.00	2.08
	Pharmacies	37	530,000.00	550,000.00	0.89	1,873,868.00	0.39	295,500.00	2.44
	Restaurants	1361	180,000.00	199,000.00	0.89	622,084.50	0.35	120,000.00	1.95
	Smoke Shops	29	110,000.00	114,500.00	0.96	414,500.00	0.33	75,671.00	1.51
	Vending Machine Businesses	18	95,000.00	110,000.00	0.83	77,417.00	1.16	43,644.00	2.61
	Other Retail Businesses	130	217,500.00	257,500.00	0.88	645,457.00	0.44	112,500.00	2.24
Service Businesses	Accounting Businesses and Tax Practices	86	285,000.00	279,000.00	0.96	304,401.00	0.95	134,840.00	2
	Architecture and Engineering Firms	15	549,500.00	624,500.00	0.94	822,445.00	0.73	262,500.00	2.6
	Assisted Living and Nursing Homes	42	722,500.00	795,000.00	1	421,729.50	1.62	126,500.00	5.14
	Auto Repair and Service Shops	196	362,500.00	395,000.00	0.92	744,461.00	0.58	172,500.00	2.55
	Banking and Loan Businesses	8	1,250,000.00	1,275,000.00	0.99	1,459,500.00	0.92	350,500.00	3.55

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	Banquet Halls	5	1,075,000.00	1,175,000.00	0.92	559,260.50	1.77	211,897.00	4.5
	Bowling Alleys	3	130,000.00	139,000.00	0.94	120,568.00	1.08	36,895.00	3.52
	Campgrounds and RV Parks	13	1,125,000.00	1,200,000.00	0.94	370,000.00	3.04	120,000.00	9.38
	Car Washes	35	1,025,000.00	1,149,500.00	0.79	1,140,000.00	1.31	238,500.00	4.42
	Casinos	2	702,000.00	879,000.00	0.8	517,000.00	1.36	290,000.00	2.42
	Catering Companies	16	330,000.00	399,750.00	0.82	641,038.50	0.42	130,720.00	2.27
	Cleaning Businesses	92	240,000.00	285,000.00	0.92	456,708.00	0.68	133,817.00	1.99
	Commercial Laundry Businesses	6	260,000.00	310,000.00	0.9	318,665.00	0.88	151,962.00	2.07
	Dance, Pilates and Yoga Studios	7	682,000.00	699,000.00	0.97	553,801.00	0.91	300,000.00	2.09
	Day Care and Child Care Centers	46	310,000.00	399,000.00	0.88	520,000.00	0.79	117,110.00	3.14
	Dental Practices	24	331,000.00	377,000.00	0.9	588,620.00	0.57	189,500.00	2.39
	Dog Daycare and Boarding Businesses	12	307,000.00	367,000.00	0.89	392,542.50	0.9	111,355.50	2.89
	Dry Cleaners	73	225,000.00	275,000.00	0.86	337,641.00	0.68	108,000.00	2.08
	Golf Courses and Service Businesses	3	126,000.00	135,000.00	0.93	555,667.00	0.23	70,012.00	1.88
	Gyms and Fitness Centers	70	195,000.00	274,500.00	0.81	438,981.50	0.54	95,621.00	2.28
	Hair Salons and Barber Shops	109	94,750.00	99,000.00	0.91	329,086.00	0.43	61,465.50	1.69
	Home Health Care Businesses	54	500,000.00	587,500.00	0.96	1,057,500.00	0.66	208,547.50	2.95
	Hotels	13	2,200,000.00	2,310,000.00	0.9	792,129.00	2.72	268,500.00	7.67
	Insurance Agencies	45	280,000.00	300,000.00	0.88	170,000.00	1.6	100,000.00	2.67
	Landscaping and Yard Service Businesses	109	282,500.00	297,000.00	0.91	635,847.00	0.61	158,290.00	2.12
	Laundromats and Coin Laundry Businesses	107	205,000.00	225,000.00	0.87	203,000.00	1.14	75,318.00	3.09
	Legal Services and Law Firms	9	139,500.00	139,500.00	0.85	201,437.00	0.76	107,908.00	1.71
	Limo and Passenger Transportation Businesses	6	1,431,500.00	1,531,500.00	0.94	2,263,151.50	1.14	470,680.00	3.26
	Locksmith Businesses	4	182,500.00	187,000.00	0.97	306,113.00	0.75	146,500.00	1.71
	Massage Businesses	8	155,000.00	175,000.00	0.85	477,031.00	0.38	110,236.00	1.41
	Medical Billing Businesses	9	1,500,000.00	1,570,000.00	0.96	1,011,200.00	1.56	420,104.00	3.56
	Medical Practices	55	240,000.00	300,000.00	0.88	525,000.00	0.59	175,017.00	1.66
	Moving and Shipping Businesses	34	785,000.00	785,000.00	0.96	1,165,523.50	0.71	286,000.00	2.65
	Nail Salons	19	90,000.00	105,000.00	0.91	300,000.00	0.54	80,321.00	1.24

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	Pest Control Businesses	9	292,500.00	327,000.00	0.94	335,795.00	0.94	122,500.00	2.45
	Pet Grooming Businesses	26	94,500.00	127,450.00	0.86	267,228.50	0.44	70,939.00	1.77
	Preschools	13	960,000.00	962,500.00	1	790,580.50	1.66	212,551.00	5.51
	Property Management Businesses	35	495,000.00	520,000.00	0.92	672,318.00	0.9	197,000.00	2.71
	Routes	498	115,000.00	119,900.00	0.97	355,987.00	0.56	91,637.00	1.79
	Schools	13	210,000.00	295,000.00	0.95	404,032.00	0.6	117,300.00	2.44
	Security Businesses	13	594,500.00	552,000.00	0.99	631,320.50	0.91	206,422.50	2.67
	Spas	18	120,000.00	139,900.00	0.93	250,422.00	0.58	76,874.00	1.8
	Staffing Agencies	11	475,000.00	775,000.00	0.86	1,556,239.50	0.36	301,948.00	2.18
	Storage Facilities and Warehouses	8	447,000.00	550,000.00	0.87	1,412,578.00	0.8	310,881.00	1.7
	Tanning Salons	7	112,500.00	112,500.00	0.86	198,901.50	0.75	70,172.50	2.39
	Towing Companies	12	1,200,000.00	1,295,000.00	0.93	1,500,000.00	0.89	545,000.00	3.13
	Trucking Companies	45	650,000.00	700,000.00	0.95	1,064,970.00	0.67	214,799.00	2.96
	Waste Management and Recycling Businesses	16	510,000.00	535,000.00	0.92	606,141.50	0.76	226,517.50	2.54
	Other Automotive and Boat Businesses	22	260,000.00	350,000.00	0.93	645,549.00	0.52	154,000.00	2.25
	Other Beauty and Personal Care Businesses	7	650,000.00	650,000.00	0.76	541,643.00	0.58	196,553.00	2.28
	Other Education and Children Businesses	17	272,500.00	346,000.00	0.83	605,343.50	0.79	138,155.50	2.44
	Other Entertainment and Recreation Businesses	38	135,000.00	155,000.00	0.83	242,954.00	0.63	73,506.00	2.46
	Other Financial Services Businesses	7	907,000.00	1,333,339.00	0.87	878,000.00	0.85	240,000.00	3.9
	Other Health Care and Fitness Businesses	61	385,000.00	399,000.00	0.92	530,000.00	0.69	173,343.00	2.5
	Other Pet Service Businesses	8	42,500.00	45,000.00	0.93	123,969.00	0.41	56,957.00	1.17
	Other Service Businesses	233	294,000.00	329,000.00	0.92	561,863.00	0.64	138,119.00	2.17
	Other Transportation and Storage Businesses	7	587,500.00	612,500.00	0.93	1,601,880.00	0.54	234,194.00	2.22
	Other Travel Businesses	5	167,000.00	260,000.00	0.65	422,519.50	0.51	120,399.00	1.4

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Wholesale and Distributors	Durable Goods Wholesalers and Distributors	34	650,000.00	650,000.00	0.95	1,606,412.00	0.52	249,000.00	2.67
	Nondurable Goods Wholesalers and Distributors	27	580,000.00	589,500.00	0.92	1,390,000.00	0.4	225,000.00	2.7

How does the Scorecard Valuation Methodology work?

For each comparison factor, like the one shown above, there are a set of multiple-choice questions to answer about your business. The answers give you a score in the range of -3 (worst) to +3 (best). You multiply this score against the comparison factor range (see below), to give each section a weighting, then you sum up the total factor and multiply this against the average valuation for your industry, giving you your estimated valuation.

Comparison Factor	Range (R)	Target Company (T)	Factor
Strength of Entrepreneur and Team	30%	Score	= RxT
Size of the Opportunity	15%	Score	= RxT
Product or Service	15%	Score	= RxT
Sales Channels	10%	Score	= RxT
Stage of Business	10%	Score	= RxT
Size of Investment round	5%	Score	= RxT
Need for Subsequent funding	5%	Score	= RxT
Quality of Business Plan and Presentation	5%	Score	= RxT
Location of Business	2.5%	Score	= RxT
Type of Business	2.5%	Score	= RxT
	100%		Sum of above