

Profit Multiples Report 2021

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	6	752,500	637,000	1.13	1,024,864	1.13	172,641	4.24
	Tree Farms and Orchards	2	560,000	700,000	0.8	220,459	0.8	80,455	6.96
	Vineyards and Wineries	4	49,000	49,000	1	182,568	1	34,492	1.42
	Other Agriculture Businesses	12	900,000	650,000	0.93	1,296,000	0.93	181,000	4.11
Communication and Media	Magazines and Newspapers	6	120,000	174,500	0.73	289,911	0.73	80,069	1.66
	Production Companies	4	2,050,000	2,175,000	0.85	2,137,645	0.85	685,395	3.63
	Other Communication and Media Businesses	16	599,000	599,000	0.96	812,701	0.96	198,465	2.58
Construction	Concrete Businesses	13	490,000	490,000	0.92	952,594	0.92	228,962	2.3
	Electrical and Mechanical Contracting Businesses	49	1,000,000	1,010,000	0.95	1,602,840	0.95	398,830	2.53
	Heavy Construction Businesses	32	1,000,000	1,250,000	0.92	1,870,957	0.92	410,481	2.83
	HVAC Businesses	105	575,000	695,000	0.93	1,443,079	0.93	245,515	2.57
	Plumbing Businesses	35	452,500	599,000	0.94	1,094,611	0.94	314,746	2.17
	Other Building and Construction Businesses	270	675,000	695,000	0.95	1,400,000	0.95	300,000	2.4
Manufacturing	Auto, Boat and Aircraft Manufacturers	10	700,000	699,000	0.97	900,000	0.97	250,000	3.62
	Chemical and Related Product Manufacturers	4	1,050,000	1,106,000	0.92	2,183,164	0.92	290,984	3.91
	Clothing and Fabric Manufacturers	10	552,500	557,500	0.96	1,026,921	0.96	195,574	3.6
	Electronic and Electrical Equipment Manufacturers	23	760,000	800,000	1	1,300,813	1	352,128	3.2
	Energy and Petroleum Production Businesses	6	450,000	550,000	0.82	700,000	0.82	260,000	1.73
	Food and Related Product Manufacturers	25	499,900	499,900	0.93	869,015	0.93	165,260	3.02
	Furniture and Fixtures Manufacturers	15	500,000	512,475	0.9	1,335,762	0.9	247,942	2.54
	Glass, Stone and Concrete Manufacturers	12	1,075,000	1,197,500	0.96	1,315,000	0.96	343,500	3.23
	Industrial and Commercial Machinery Manufacturers	9	940,000	1,077,500	0.84	962,066	0.84	270,558	3.57
	Lumber and Wood Products Manufacturers	26	1,014,703	1,172,000	0.91	1,434,000	0.91	297,885	3.17
	Machine Shops and Tool Manufacturers	59	830,000	850,000	0.93	945,000	0.93	295,500	3.26
	Medical Device and Product Manufacturers	8	749,000	850,000	0.97	711,995	0.97	266,420	2.65
	Metal Product Manufacturers	53	758,500	781,000	0.96	1,031,176	0.96	295,000	3.06
	Packaging Businesses	4	7,125,000	7,872,998	0.89	6,919,297	0.89	1,132,611	6.47

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	Paper Manufacturers and Printing Businesses	17	310,000	322,500	0.97	609,344	0.97	185,049	2.5
	Rubber and Plastic Products Manufacturers	17	1,525,000	1,525,000	0.96	1,700,000	0.96	466,149	3.79
	Sign Manufacturers and Businesses	31	328,500	349,500	0.91	617,896	0.91	158,090	2.23
	Other Manufacturing Businesses	71	1,070,000	1,200,000	0.95	1,200,000	0.95	348,886	3.06
Online and Technology	Cell Phone and Computer Repair and Service Businesses	21	294,500	324,000	0.99	669,830	0.99	167,088	2.17
	Graphic and Web Design Businesses	5	1,250,000	1,300,000	0.99	749,755	0.99	404,024	4.31
	IT and Software Service Businesses	35	650,000	680,000	0.94	911,563	0.94	258,553	2.68
	Software and App Companies	23	610,000	625,000	0.95	659,915	0.95	245,000	3.21
	Websites and Ecommerce Businesses	364	850,000	857,500	0.98	812,923	0.98	247,560	3.63
	Other Online and Technology Businesses	26	462,500	470,000	0.92	622,000	0.92	150,500	3.32
Retail	Art Galleries	6	300,000	399,000	0.81	429,879	0.81	194,536	2.01
	Bakeries	77	255,000	279,500	0.95	563,053	0.95	120,317	2.34
	Bars, Pubs and Taverns	206	285,000	299,450	0.91	649,913	0.91	128,347	2.64
	Bike Shops	13	466,500	475,000	0.92	1,384,900	0.92	290,428	2.04
	Breweries	12	540,000	872,500	0.68	639,786	0.68	181,573	3.39
	Building Material and Hardware Stores	49	837,500	809,500	0.94	1,682,068	0.94	280,416	3.36
	Car Dealerships	27	995,000	1,150,000	0.91	2,063,817	0.91	350,000	3.17
	Clothing and Accessory Stores	66	185,000	199,000	0.95	470,600	0.95	100,000	2.15
	Coffee Shops and Cafes	147	127,500	127,500	0.89	327,500	0.89	75,106	1.94
	Convenience Stores	170	220,000	225,000	0.92	619,300	0.92	113,000	2.38
	Dollar Stores	5	125,000	160,000	0.86	360,000	0.86	150,000	1.51
	Donut Shops	15	159,000	159,000	1.03	223,700	1.03	93,500	2.78
	Equipment Rental and Dealers	10	550,000	850,000	0.9	2,087,500	0.9	373,000	2.8
	Flower Shops	51	175,000	195,000	0.89	408,000	0.89	106,344	1.82
	Food Trucks	15	99,500	99,500	0.93	239,358	0.93	80,000	1.41
	Furniture and Furnishings Stores	47	585,000	500,000	1.04	1,188,577	1.04	214,821	2.75
	Gas Stations	233	385,000	399,000	0.93	1,584,377	0.93	131,138	3
	Grocery Stores and Supermarkets	63	500,000	535,000	0.93	1,561,165	0.93	305,536	2.31
	Health Food and Nutrition Businesses	18	180,000	185,000	0.96	550,000	0.96	103,000	2.25
	Ice Cream and Frozen Yogurt Shops	153	168,000	195,000	0.89	330,000	0.89	80,000	2.49
	Jewelry Stores	8	300,000	385,000	0.8	579,402	0.8	146,934	3.12
	Juice Bars	30	112,500	142,500	0.87	453,635	0.87	75,790	2.19
	Liquor Stores	254	392,500	405,000	0.96	1,199,051	0.96	167,500	3.01
	Marine/Boat Services and Dealers	16	404,500	404,500	0.86	1,251,026	0.86	191,000	2.39
	Nursery and Garden Centers	10	462,500	537,500	0.94	1,103,405	0.94	219,990	2.95

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Service Businesses	Pet Stores and Supply Businesses	15	432,500	497,500	0.91	1,742,310	0.91	201,040	2.44
	Pharmacies	31	262,500	275,000	0.93	675,000	0.93	116,413	2.24
	Restaurants	1452	194,500	219,450	0.91	600,000	0.91	110,038	1.96
	Smoke Shops	52	107,500	120,000	0.97	467,167	0.97	66,495	1.7
	Vending Machine Businesses	16	82,500	114,450	0.9	92,788	0.9	45,642	2.72
	Other Retail Businesses	196	347,500	369,450	0.93	748,062	0.93	156,918	2.48
	Accounting Businesses and Tax Practices	75	380,000	399,900	0.97	374,138	0.97	160,000	2.14
	Architecture and Engineering Firms	16	749,500	774,500	0.9	1,020,086	0.9	292,946	2.7
	Assisted Living and Nursing Homes	67	785,000	950,000	0.98	408,498	0.98	136,000	5.05
	Auto Repair and Service Shops	271	400,000	425,000	0.95	698,804	0.95	159,699	2.85
	Banking and Loan Businesses	2	825,000	950,000	0.93	550,000	0.93	401,932	2.3
	Banquet Halls	7	120,000	135,000	0.88	200,000	0.88	120,000	4.02
	Bed and Breakfasts	18	1,350,000	1,350,000	0.83	328,000	0.83	173,305	5.91
	Campgrounds and RV Parks	14	1,585,000	1,620,000	0.98	288,178	0.98	167,535	9.2
	Car Washes	67	1,000,000	1,075,000	0.92	309,100	0.92	196,451	6.6
	Casinos	2	375,000	399,000	0.94	665,201	0.94	346,891	1.08
	Catering Companies	6	235,000	400,000	0.79	580,000	0.79	126,476	2.26
	Check Cashing Businesses	2	312,500	325,000	0.94	299,453	0.94	143,460	2.11
	Cleaning Businesses	137	199,000	225,000	0.9	328,470	0.9	115,000	2.05
	Commercial Laundry Businesses	9	275,000	295,000	0.95	198,000	0.95	112,000	3.04
	Dance, Pilates and Yoga Studios	14	90,000	119,000	0.77	247,429	0.77	57,400	1.62
	Day Care and Child Care Centers	86	300,000	349,000	0.88	468,985	0.88	124,945	3.19
	Dental Practices	19	325,000	325,000	0.78	460,820	0.78	113,301	2.43
	Dog Daycare and Boarding Businesses	22	375,000	400,000	0.92	480,000	0.92	152,000	3.05
	Dry Cleaners	79	180,000	225,000	0.9	320,000	0.9	100,000	1.98
	Golf Courses and Service Businesses	8	382,500	512,500	0.91	420,795	0.91	144,204	2.85
	Gyms and Fitness Centers	63	175,000	229,000	0.92	302,056	0.92	80,442	2.88
	Hair Salons and Barber Shops	130	90,000	118,900	0.9	251,700	0.9	68,000	1.68
	Home Health Care Businesses	69	900,000	1,045,067	0.93	1,410,732	0.93	298,619	3.07
	Insurance Agencies	34	336,875	359,375	0.84	186,846	0.84	122,129	3.83
	Junk and Salvage Yards	4	300,000	287,500	1.13	685,082	1.13	109,648	2.56
	Landscaping and Yard Service Businesses	170	456,250	449,500	0.95	676,762	0.95	185,500	2.35
	Laundromats and Coin Laundry Businesses	141	210,000	225,000	0.91	169,500	0.91	60,000	3.49
	Legal Services and Law Firms	7	1,083,500	1,225,000	0.92	1,087,500	0.92	542,500	2.43
	Limo and Passenger Transportation Businesses	15	425,000	475,000	0.9	754,519	0.9	213,000	2.34

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	Locksmith Businesses	4	100,000	125,000	0.88	263,923	0.88	98,121	1.24
	Marinas and Fishing Businesses	10	665,000	700,000	0.98	517,183	0.98	254,609	2.93
	Massage Businesses	15	185,000	231,813	0.89	471,001	0.89	78,761	2.5
	Medical Billing Businesses	2	315,000	315,000	1	347,778	1	75,879	4.17
	Medical Practices	90	335,000	335,000	0.93	499,471	0.93	184,622	2.07
	Motels	21	1,400,000	1,495,000	0.95	300,000	0.95	186,630	7.09
	Moving and Shipping Businesses	36	405,000	453,000	0.94	772,000	0.94	159,165	2.59
	Nail Salons	43	126,500	143,725	0.87	323,231	0.87	96,500	1.57
	Nightclubs and Theaters	6	800,000	800,000	1	-	1	200,000	4
	Pest Control Businesses	21	250,000	339,000	0.9	398,578	0.9	125,591	2.35
	Pet Grooming Businesses	35	140,000	159,000	0.93	206,226	0.93	77,305	1.75
	Preschools	18	500,000	700,000	0.88	466,317	0.88	170,689	3.89
	Property Management Businesses	61	300,000	337,000	0.95	446,081	0.95	133,648	2.88
	Routes	588	115,894	119,000	0.98	319,995	0.98	94,872	1.93
	Schools	17	500,000	540,000	0.87	454,969	0.87	175,000	2.9
	Security Businesses	18	385,000	499,995	0.86	761,183	0.86	203,829	2.19
	Spas	31	162,500	175,000	0.93	445,714	0.93	95,614	2.52
	Staffing Agencies	20	800,000	880,000	0.93	1,300,000	0.93	289,000	3.03
	Storage Facilities and Warehouses	10	1,600,000	1,600,000	0.93	1,510,970	0.93	338,461	3.72
	Tanning Salons	10	99,000	99,000	0.93	211,899	0.93	60,571	2.12
	Towing Companies	9	1,850,000	1,900,000	1	2,446,794	1	500,000	4.08
	Travel Agencies	4	225,000	225,000	0.87	230,480	0.87	88,312	2.62
	Trucking Companies	65	1,200,000	1,299,000	0.94	1,850,069	0.94	424,996	3.08
	Waste Management and Recycling Businesses	22	825,000	1,000,000	0.95	755,000	0.95	285,800	3.52
	Other Automotive and Boat Businesses	32	485,000	550,000	0.9	1,067,289	0.9	205,000	2.76
	Other Beauty and Personal Care Businesses	22	287,500	288,000	0.92	530,543	0.92	150,626	2.33
	Other Education and Children Businesses	25	135,000	155,000	0.88	217,228	0.88	84,000	2.16
	Other Entertainment and Recreation Businesses	62	279,900	279,000	0.95	366,719	0.95	126,966	2.59
	Other Financial Services Businesses	23	575,000	625,000	0.92	465,696	0.92	226,621	2.68
	Other Health Care and Fitness Businesses	73	395,000	499,000	0.94	711,163	0.94	190,000	2.74
	Other Pet Service Businesses	20	390,000	390,000	0.9	415,783	0.9	155,247	2.32
	Other Service Businesses	309	400,000	449,000	0.93	642,239	0.93	175,000	2.43
	Other Transportation and Storage Businesses	16	725,000	815,000	0.96	929,492	0.96	260,685	2.32
	Other Travel Businesses	8	660,000	700,000	0.86	886,000	0.86	280,000	2.49

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Wholesale and Distributors	Durable Goods Wholesalers and Distributors	52	900,000	899,500	0.96	1,783,883	0.96	345,121	2.95
	Nondurable Goods Wholesalers and Distributors	29	420,000	500,000	0.94	967,958	0.94	175,493	3.2
	Other Wholesalers and Distributors	87	235,000	235,000	0.98	575,000	0.98	101,000	2.63
Other	All Non-Classifiable Establishments	35	795,000	850,000	0.94	1,031,880	0.94	224,000	3.19

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	= R x T
Size of the Opportunity	15%	Score	= R x T
Product or Service	15%	Score	= R x T
Sales Channels	10%	Score	= R x T
Stage of Business	10%	Score	= R x T
Size of Investment round	5%	Score	= R x T
Need for Subsequent funding	5%	Score	= R x T
Quality of Business Plan and Presentation	5%	Score	= R x T
Location of Business	2.5%	Score	= R x T
Type of Business	2.5%	Score	= R x T
	100%		Sum of above