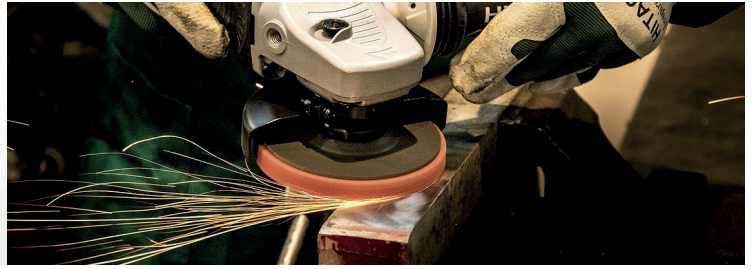




Oswald Record



For Anthony Record and his family, retirement was his goal on selling the company.

Established Family Business sees 300% post-acquisition growth

Oswald Record was a well-established and well-managed company, commanding a 40% share of the UK Air Tools market and enjoying excellent customer loyalty, and thus repeat business.

It had negotiated sole distribution agreements with leading manufacturers to establish its position in the Power Tools market.

With a nationwide sales and distribution network, the company had established itself as a convenient, reliable supplier providing an excellent sales and after-sales service.

When Anthony Record, the CEO of Oswald Record Group, decided to sell the business his Grandfather founded in 1921, it was on the basis that a new owner would value what the company had achieved and enable it to achieve the growth he knew was its birthright.

Anthony instructed Evolution CBS to handle the sale, having previously evaluated two alternative advisory firms.



STATS

70

Companies Profiled and Contacted

5

Potential Acquirer Meetings

5

Offers Received

The Transaction

Evolution's approach to selling every business is firstly to understand the company, not purely from a financial perspective, but its business structure and strategies. By so doing, they are able to explore the potential of the company to a new owner, which in turn enables Evolution to identify prospective acquirers which would have a "strategic fit". The most successful sales result when the buyer and seller are both able to see the future of the business under new ownership. The ability to sell the potential is vital when marketing a business to potential buyers.

Once Rob Goddard, MD of Evolution CBS, had completed its pre-sale study of the company, at face value, it did not seem to offer a huge potential growth proposition for an acquirer. Little potential can easily mean low offers – not a situation that any seller wants to experience.

However, a combination of Rob's experience in Mergers and Acquisitions and the knowledge of the company and its markets he'd gained in the pre-sale period, enabled Evolution CBS to identify several key areas that could deliver significant growth for an acquirer, with-out necessarily impacting potential ROI.

Rob's assessment was that, with the adoption of new marketing strategies, extended product ranges and greater UK, there was true potential in the Oswald Record business. Evolution then applied strategic profiling techniques to identify 70 potential buyers. Having agreed these companies with Oswald Record Group, Evolution's Account Team began the process of marketing the company to these potential buyers.

"It was important for me to leave the business in suitable hands that would value what the company has achieved to date and allow the potential growth of the firm."

Five negotiation meetings resulted in 5 offers. The level of offers ranged by 43%. The successful bidder was LSG Industrials, an investment company founded in 2010 as part of the LSG Holdings group with a mandate to invest in industrial and heavy plant businesses in the UK.



Our client now enjoys a welcomed retirement, spending more time with his family and his newly acquired renovation project, a 1938 Morris 8 Tourer!

This acquisition represented a strong synergistic/strategic fit for LSGI. Following the acquisition, Oswald Record was able to grow its well established business further by increasing profitability and expanding its customer base nationally. The new owners have increased net profit by over 300% in the 1st year post acquisition.

For Evolution CBS, this deal rein-forces our belief that brokering a sale successfully is much more than a simple marketing exercise. It involves a commitment to customer service from the outset which is maintained right up to the point of completion.

