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GROWTH OPPORTUNITIES **EXPERTISE** 



# Corporate Financier

**NEW MODEL INVESTOR** HOW MOBEUS TRANSFORMED ITS STRATEGY - AND TEAM

NETWORK EFFECT
THE CORPORATE FINANCE FACULTY'S ANNUAL RECEPTION HIGHLIGHTS

## **FAMILY FORTUNES**

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## Dec 2019/Jan 2020 Issue 218

GROWTH OPPORTUNITIES EXPERTISE

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# Leave the lights on



Iceland, population 360,000, with about 3.5 people per square kilometre, meets virtually all of its electricity needs from renewable sources. Of that, 80% comes from hydroelectricity and the remainder from geothermal sources on the volcanic island. The country has an ambitious plan to be carbon neutral by 2040.

Last month, I made a whistle-stop tour of Iceland - the aim being to witness the Aurora

Borealis. Unfortunately, the northern lights are not simply turned on and off, so in that regard it was a fruitless trip. As you drive through the wilderness during the long nights, darkness will be interrupted by isolated houses, every one of which has every single light on, and is often adorned with frivolous festive lights. In November!

Meanwhile, in far hotter climes there has been a very different 'issue' - the IPO of Saudi Aramco, which valued the oil and gas giant at \$1.7trn. The listing on the Saudi exchange will reportedly generate a whopping \$450m of fees for advisers (but latest reports suggest this has been reduced).

The world's most profitable company is also the world's biggest contributor to hydrocarbon-based pollution. The fact that such a listing is happening while climate change is on the agenda elsewhere highlights the challenges of tackling the problem globally. That said, doubts among some non-Middle East investors about paying top dollar for shares in the float perhaps shows that different long-term views are being taken about oil investment.

With the UK's general election under way, shifting Britain to zero-carbon status is one of the non-Brexit issues at the hustings. The Conservative Party set a target date of 2050. Labour floated a 2030 target, but revised that to 2050 - perhaps in the realisation that the earlier target date would never be achievable.

Who knows how many elections there will be between now and 2030, let alone 2050? The UK is a far more complicated beast than Iceland. The former is almost 80 times more densely populated and doesn't have renewable energy sources as readily available to meet its needs - although wind power is making inroads. Enormous investment is needed to move to electric vehicles, from road to rail, to renewable electricity, away from air travel, and to greater energy efficiency in homes and workplaces.

We're a long way away from being able to tell the kids, without any guilt: "No, just leave all the lights on."

**Marc Mullen** Editor

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#### **NEW ADVISORY FIRM HEADPOINT JOINS THE FACULTY**

Headpoint Advisors, a Midlands-based corporate finance advisory firm, has joined the Corporate Finance Faculty. It was founded in January 2019 by Mark Wilson, a former partner at Alantra (previously Catalyst Corporate Finance).

Wilson was a Birmingham-based partner at Alantra/Catalyst for almost 15 years. He previously worked for Benelux-based private equity firm Greenfield Capital Partners and before that was an industrial engineer working for Siemens, UPS and TNT.

Leander Ots, who also worked at Alantra, is an associate at Headpoint. He was previously at the Dutch government's department of business. At Headpoint he is responsible for origination, research and transaction execution.

Wilson's wife Liza is marketing director at the new firm. She has 20 years' business experience, having worked at Celerant Consulting, Dun & Bradstreet and Nyenrode Business School.

Andrew Garcia is special industry adviser and brings 25 years' industry and M&A experience, with senior executive roles at Dragon Infrastructure Services, South Staffordshire Plc, Veolia Environmental Services (formerly Cleanaway), SIG Plc and Navigant Consulting. He was also an industrial services adviser to Alantra.

Headpoint operates nationally, with a strong Midlands focus, as well as across the south of England and Scotland.

Wilson said: "It's important for our nationwide network that we join the Corporate Finance Faculty. We value being able to access good up-to-date technical information for client projects and the faculty provides that. We also enjoy the opportunity to network with the broad range of faculty members, which is particularly important for a small, growing adviser like ourselves."

He said that the firm is recruiting 'traditional' ACA-qualified corporate financiers. He also placed a lot of stock in ICAEW's Corporate Finance qualification, which he holds, and will be encouraging his staff to take the Diploma: "That's very important for attracting quality staff."

Headpoint completed its first deal in November - acting for the shareholders of Jaffabox, a Birmingham-based, family-owned cardboard packaging manufacturer, on its sale to Schumacher Packaging GmbH, which is itself a family-owned business. "Given the uncertainty around Brexit among other things, the sale to a world-class German company demonstrates the underlying high-quality nature of the Jaffabox business as well as benefiting from strong trading through the entire deal process," said Wilson. "Schumacher has grown very quickly and this represents its first major investment in the UK. We fully expect that more investment in the Midlands and the wider UK will follow."

#### **GET AHEAD IN 2020**

Individual Corporate Finance Faculty members can now renew their membership for next year online. High on the faculty's agenda for

2020 will be initiatives including:

- corporate finance, business investment and Brexit;
- how environmental, social and corporate governance factors are reshaping M&A;
- the UK's most acquisitive companies and busiest private equity firms featured in Corporate Financier magazine;
- a new edition of *Private Equity* Demystified;
- a new version of the Business Finance Guide published by ICAEW and the British Business Bank;
- prospective financial information to support capital-raising;
- developing the themes in the ground-breaking Al in Corporate Advisory report; and
- ongoing collaboration with Innovate UK and with the creative industries.

The faculty will also be taking part in corporate finance events across the UK and beyond. So far in 2019, staff have taken part in forums and conferences in Belfast, Birmingham, Valleta in Malta, and more – as well as supporting colleagues in Dubai with events in the Middle East.

Grace Gayle, the faculty's services manager, said: "Policy development to boost investment, as well as technical expertise, guidance and networking, have always been at the heart of what the faculty does.

"If members have any questions about its services or about renewing for 2020, they're very welcome to get in touch."

Grace can be contacted via icaew.com/facultyrenew or by phoning +44 (0)202 7920 8689.

If you are interested in your organisation becoming one of more than 80 member firms - listed at icaew.com/cff - then please get in touch with David Petrie, head of corporate finance at ICAEW, or Shaun Beaney, Corporate Finance Faculty manager.

#### **FACULTY WELCOMES TLT**

TLT has become the latest law firm to join the Corporate Finance Faculty. The legal advisory firm has more than 130 partners and 1,000 staff based in its offices in Belfast, Bristol, Edinburgh, Glasgow, London and Manchester.

TLT's corporate team advises on a wide range of complex corporate transactions, including in capital markets, IPOs and secondary issues, public company takeovers - including public-to-private - as well as UK and international acquisitions, disposals, group reorganisations and property joint ventures.

The firm's clients include RBS, TUI, TK Maxx, Vivienne Westwood, Triodos, Elmscot Group, Perfect Start, Harvey Nichols, Santander, Sainsbury's, WHSmith, Greene King, BT, Boohoo, BBC, Ecotricity, Crown Commercial Services and Savills.

The sectors the firm has a specific focus on are: clean energy; digital; financial services; leisure, food and drink; retail and consumer goods; and real extents.

Recent projects include:

- Open Bionics, a pioneer of low-cost prosthetics using 3D printing, on a £4.65m Series A investment;
- Herman Miller, a global designer and furniture manufacturer, on its

#### TLT was awarded for 'corporate deal of the year' at the Business Leader Awards for the sale of Lorient Group

acquisition of the remaining shares of British furniture designer, naughtone;

- shareholders of the UK-based surface repair specialists, Plastic Surgeon, on its acquisition by Polygon Group; and
- several-high profile disposals for AM100 Plc, Inchcape, including franchises and dealerships.

This year, TLT was awarded for 'corporate deal of the year' at the Business Leader Awards for the complex cross-border preparations and sale of Lorient Group, which designs and manufactures high performance sealing systems, to global door manufacturer ASSA ABLOY.

The corporate team has also been recognised as the top legal deal adviser in the South West by Experian MarketlQ.

Andrew Webber has been appointed as the firm's new UK head of corporate, succeeding John Wood who was elected TLT's next managing partner. Both take up their new roles from April 2020.

Webber said: "We're delighted to have joined the ICAEW Corporate Finance Faculty's professional network alongside its 7,000 members and 80-plus member organisations. The connection to a wider global community of financial experts, world-leading information resources and technical guidance will provide us with the tools we need to continue the expert advice that we are known for providing." The corporate partners are:

- Alice Gardner, Jon Gill, Kay Hobbs, Nina Searle, Antonia Silvestri, Robin Staunton, Andrew Webber and John Wood in Bristol;
- Andrew Jennings in Belfast;
- Elizabeth Delaney, Andrew Needham, Richard Life, Ian Roberts and Mark Traynor in Manchester;
- Damien Bechelli in Glasgow; and
- Patrick Somers in London.

Webber added: "We continue to act on a high number of inward investment deals into the UK and this is growing in sectors like digital and clean energy, where the UK is seen as a leader in innovation and new technologies. We have clear plans in place to continue to build our full-service national practice, including our transactional offering in corporate to support our core sectors."









#### **LISTEN IN**



ICAEW has launched its debut podcast series *More Than A Number*, which explores how business leaders unpack numbers to make important decisions. The podcast is hosted by financial journalist Louise Cooper and features guests from across business, charity and society, including Dame Helena Morrissey and Lord Malloch Brown. The series will examine topics including sustainability, the gender pay gap and the ageing workforce.

The first episode, which is available now, looks at climate change and the questions it raises, with a panel that includes: Amelia Womack, deputy leader of the Green Party; John Kornerup Bang from shipping company Maersk; Mardi McBrien from the Climate Disclosure Standards Board; and Michael Izza, ICAEW's chief executive.



Unicorns are no longer mythical creatures in the UK. There are now 21 British start-ups valued at \$1bn-plus. Some have even had exit events which (perhaps) give more validity to the valuation. I'd expect to see more in 2020. Of course, that expectation is set against a backdrop of not only general political and economic uncertainty, but also increasing uncertainty around how such high-value businesses can actually exit.

WeWork's recently shelved initial public offering highlighted two problems. One - it's not easy transitioning from a private-market valuation to a public-market valuation. And two - public investors can pour cold water on any cultish following of a charismatic founder. The latter is particularly, but not exclusively, specific to WeWork, while the former applies to all unicorns.

#### **BIG BUCKS, BIG BANG**

More money is being raised privately by high-growth businesses than ever before. A small number of new investors with enormous firepower (SoftBank, for example) have allowed some ventures to remain private longer. In doing so they've pioneered a new kind of transaction. Private investments of hundreds of millions of dollars in return for minority stakes. These transactions generate headlines for these private companies, and other investors, who previously would have focused on public markets, such as pension funds, are starting to back these megadeals. This has created demand for a very scarce asset, among buyers. It is not surprising that valuations at the top end of the market have ballooned.

That said, UK unicorns appear good value compared to US ones. Of those that are still private, the Hut Group is reportedly worth just under £2bn. UK

# MYTHS BECOME LEGENDS

The UK has been creating \$1bn-plus valuation businesses in 2019 faster than ever, but can we expect the herd of unicorns to grow and does it matter if they don't?

unicorns should find it easier to list or be acquired than those across the pond.

I fully expect the UK herd to grow more quickly than the number of exits does. At Beauhurst, we are tracking 26 fast-growing businesses each worth over £250m. In our most recent report, we picked out four 'dead-certs': Bulb; PaymentSense; SumUp; and Zopa. All are growing turnover and valuations. Bulb is in cleantech, and PaymentSense, SumUp and Zopa are all fintech companies. The UK has a track record of creating unicorns in both those sectors. I wouldn't be surprised if this time next year we toast the UK's 30th example.

#### **HOLD THE ICE**

Should we be focusing so much attention on unicorns in particular? It's easy to see why founders and early-stage investors are interested in the \$1bn milestone: it means their stake has

grown rapidly to a very lucrative size (provided they're able to exit). Hut Group founder Matthew Moulding's various shares in e-commerce business are estimated to be worth £330m - on paper.

But is the number of unicorns in the UK actually a useful measure of our high-growth ecosystem? The reality is it only tells part of the story. The high number evidences the current health of the later-stage funding market. It also speaks to the ability of entrepreneurs to scale businesses from a UK base, their talent and the talent they hire.

However, it also obscures the larger number of exciting smaller businesses. For example, of the UK's 1,216 spinouts, only two have so far become unicorns, even though 121 have exited, developing world-leading technologies along the way.

#### **UNDER THE RADAR**

Desktop Genetics, a company developing a DNA search engine, was acquired last year by Elixir, but had only reached a pre-money valuation of £3.5m by that point. Oxitec, a company working to prevent the spread of diseases by use of sterilisation, was acquired by Intrexon for £103m in 2015 - not a unicorn, but certainly its investors would have made a healthy return, while also creating technology for the global good.

With 21 unicorns in the UK, they're certainly no longer mythical. But there are many other species in the country's high-growth ecosystem. If we spend too much time hunting unicorns, we risk destroying the habitat of other innovative businesses that are driving UK growth. •

Henry Whorwood, head of research and consultancy, Beauhurst, a publisher of data and analysis of investment in UK high-growth companies

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UK VCs saw an increase in investment in Q3 2019, but UK quoted companies issued the highest year-to-date total of profit warnings

£2.4bn

UK VC investment in Q3 2019, up 19% on Q2 2019

£7.4bn+

Invested by VCs in UK scaleups in the first nine months of 2019, on course to exceed the record £7.6bn invested in 2018

£2.84bn

Raised on AIM during the first nine months of 2019 - down 42% on 2018

New joiners to AIM in
Q3 2019 - two IPOs, two
reverse takeovers and one
joiner from the main market

AIM companies have been acquired in 2019

235

Profit warnings issued by UK quoted companies in the nine months to the end of September - the highest year-to-date total since 2008 (323)



of UK listed companies have issued a profit warning in the past 12 months the highest figure since Q4 2008

\$3.03trn

Global M&A in first 10 months of 2019 - 12% down on the first 10 months of 2018

**79** 

Megadeals (\$5bn+) globally so far in 2019 down from 102 during same period in 2018



IPOs on AIM in first three quarters of 2018

20

IPOs in first three quarters of 2019 down 71% SOURCE: EY PROFIT WARNINGS R

SOURCE

OURCE: AIM

SOURCE: ALLENBY CAPITAL

SOURCE: KPMG ENTERPRISE'S GLOBAL VENTURE PULSE REPORT



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# Old skool, new build

Sir Martin Sorrell, having left WPP under a cloud last year, is buying and building a new empire. This time, it's digital



#### **DIGITAL BUILD**

In May 2018, Sir Martin Sorrell acquired a London Stock Exchange-listed cash shell, Derriston Capital, and set about creating S4 Capital. He invested £40m and raised £11m from backers. He then went on the acquisition trail:

- April 2019 Amsterdambased video production company, Caramel Pictures;
- April 2019 Brazilian programmatic advertising specialist, ProgMedia;

- August 2019 Dutch influencer marketing agency, IMA; and
- October 2019 MightyHive merged with
  ConversionWorks.
  S4 made a pre-tax loss of
  £8.5m in the first half, but
  when adjusted for acquisitionrelated expenses and other
  "non-recurring" costs, it made
  a pre-tax profit of £6.5m.
  BDO and Travers Smith have
  advised on all S4 deals so far.

men Roods of

system applies. Financial news

new year. Financial account opens all over the world. opens all over the world

#### **BOSS SPURNED**

S4 Capital expects to double in size organically by 2021. Sorrell has been pretty withering in his criticism of WPP: "Traditional advertising agencies are paranoid about incumbent relationships. They want to maintain status quo while their clients want to change it," he told the FT. "There is a long way to go before we'll get worried," he added, highlighting how S4's strong growth had benefited from its "small beginnings". He added that his vast personal network had been "helpful but not essential".



#### FRESH START?

Sorrell announced that S4 Capital had increased its revenues 54% to £56.6m and gross profit by 50% to £42.1m in the three months to September. Sorrell founded S4 Capital just a month after being forced out of WPP, which he founded. Year-to-date revenue grew 46% to £144.6m, gross profit also 46% to £112.3m.

"We continue to trade in line with ambitious internal and external expectations, both top and bottom line," said Sorrell. "Our organic growth of well over 40% so far this year indicates that clients are responding very well to our purely digital model." Mixing metaphors, he added: "The peanut has morphed into a pumpkin in time for Halloween 2019 and we have also achieved US-dollar unicorn status."



#### NO FREE RUN

Fimalac, the holding company owned by French billionaire Marc Ladreit de Lacharrière, is building its own digital empire. In November it acquired a majority stake in digital marketer Jellyfish, and is merging it with Tradelab. The combined entity has a market capitalisation of around £500m. Founded in 2005, Jellyfish deploys digital analytics to marketing and advertising. "We're taking similarly aggressive ambitions to S4 Capital, because we're right in the same place and we're looking at the same opportunity," said Rob Pierre, Jellyfish's chief executive.

GETT

Buy-out houses are in an interesting position - multiples are high, debt is cheap and many of them are sitting on record levels of capital to invest. Two reports look at how firms are driving value from their investments

Private equity-backed businesses pose a different set of challenges for the CFO than owner-managed companies, family-owned businesses or listed ones. What does a buy-out firm look for? Deloitte's third global survey of more than 100 CFOs, PE investors, CEOs and chairs bears the doom-laden name: The Meteor Is Coming.

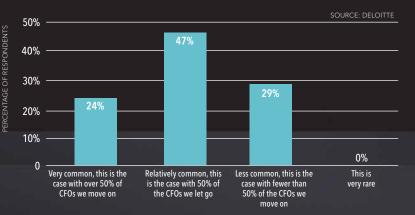
Andy Halls, lead partner of Deloitte's private equity-backed programme, explains the reason for the title of the report: "The most powerful theme to emerge from our interviews was the dominant and pervasive role that technology is expected to play in shaping the future of finance. Data analytics, automation and predictive technology will bring about a revolution in the finance function over the next 10 years.

"Private equity investors want CFOs to drive this technological change. From a traditional, backward-looking numbercruncher, they want the role of the private equity-backed CFO to switch to a forward-looking 'chief value extractor', with sufficient vision to foresee and navigate the changes ahead and make the greatest contribution to value from day one."

Respondents to the survey believe it is down to the CFO to drive change generally - 82% of private equity investors said the CFO had a fundamental impact on the creation of business value.

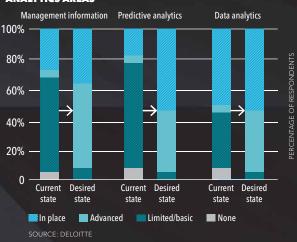
of CFOs and 82% of PE investors state that technology will have a key impact on finance functions over the next

#### HOW OFTEN HAVE YOU HAD TO REPLACE A CFO AS A RESULT OF THEIR FAILURE TO UNDERSTAND THEIR ROLE IN CREATING VALUE?



Most CFOs said real-time and predictive information would be of great value, but needed more resource to implement new systems and understand all the benefits technology can bring. Currently 95% of respondents have some analytics capability and 70% use predictive analytics.

#### **CURRENT STATE VS DESIRED STATE IN DIFFERENT ANALYTICS AREAS**



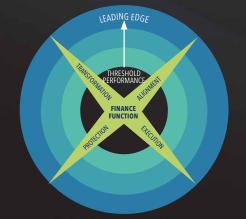
Buy-out firms sometimes change the CFO or FD when they first back a company - and will often remove one if a portfolio business is underperforming. Assisted by technology, the private equity-backed CFO function will become even more dynamic. Being 'chief value extractor' means there will be greater use of predictive analytics, with more emphasis on projections, rather than a focus on historic financials. Private equity investors taking part in the survey want greater commercial insights to aid an understanding of the market they are in and anticipate future challenges.

#### THE FOUR FACES OF A CFO

Catalyse behaviours across the organisations to execute strategic and financial objectives at the same time

#### Strategist

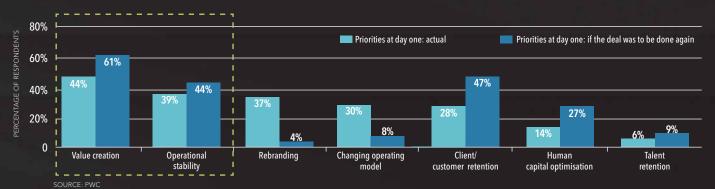
Provide financial leadership in determining strategic business direction, M&A, financing capital market and long-term strategies



Protect and preserve the critical assets of the organisation and accurately report on financial position and operations to internal and external stakeholders

**Operator**Balance capabilities, talent, comms and service levels to fulfill the finance organisations core responsibility

#### WHAT ARE THE 'DAY-ONE' PRIORITIES FOR THE PRIVATE EQUITY PORTFOLIO COMPANY?

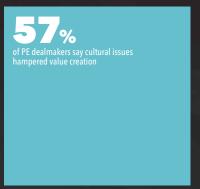


With widely available cheap debt, private equity price multiples are high, and exceptionally high for the best assets. With cost reduction and the ability to generate returns through leverage being squeezed, how can private equity create value from its latest round of investments? That is the focus of PwC's latest private equity report: *Creating value beyond the deal*.

of cloud-based data and analytics that are available allow the kind of granular analysis that provides a powerful new tool"

"The level and sophistication

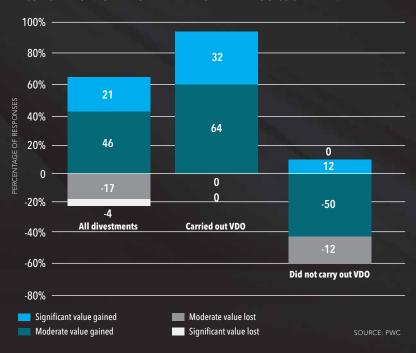
#### LOSS OF TALENT IS A KEY CHARACTERISTIC OF 'VALUE-DESTRUCTIVE' DEALS



10%+
employees left the company following completion in all deals where value was eroded

OURCE: PWC

### HOW MUCH VALUE DID THIS DEAL GENERATE IN COMPARISON WITH THE ASSETS' VALUATION BEFORE THE DIVESTMENT PROCESS STARTED?



More than half (52%) of respondents said that for future divestments they would aim to start planning earlier, to create greater value from the sale. Being prepared for an opportunistic divestment is key, because the potential for significant value from such sales is high compared with planned deals. Some 79% of opportunistic deals delivered significant or moderate value, (higher than the 61% of planned sale processes, which delivered similar value).

And then we come to tech and data. Malcolm Lloyd, global deals leader at PwC, sees the use of data and data analytics as presenting a great opportunity for value creation in private equity-backed businesses: "Across the sector, private equity has always used data and private equity investors are data hungry, analytically driven and grounded in the facts. But until recently it's been difficult to embed data into the way the business operates. Now, the level and sophistication of cloud-based data and analytics that are available allow the kind of granular analysis that provides a powerful new tool to allow private equity to better understand value creation."

Data and analytics enable granular insight into operational improvements, sales effectiveness, pricing, churn reduction and manufacturing efficiency. David Tapnack, a PwC partner in financial decisions and analysis, adds: "While private equity uses data a lot they are nowhere near reaping the full benefits that current tools and technology can deliver. I think building this capability is the defining feature of who will be successful and who won't, in the digital age." •

PERCENTAGE OF RESPONSES



# SFOR MERS

Big changes to VCT rules four years ago meant Mobeus Equity Partners had to rethink its entire strategy. Marc Mullen looks at an investor transformed Blessings can be heavily disguised. Back in November 2015, the government changed the venture capital trust (VCT) rules so that such capital could no longer be used to fund buy-outs. Instead, in most cases, VCT money could only be invested in companies that were less than seven years old, and the initial investment was limited to less than £5m. Funding could not be used for replacement capital or for buy-and-build strategies.

For Mobeus, a member firm of the Corporate Finance Faculty, the change represented a strategic crossroads. "We had a very successful buy-out investment strategy using VCT capital," says partner Ashley Broomberg. "That link was decoupled. Overnight we had a large pool of VCT capital, but no investment strategy for it. And we had a great buy-out strategy, but no capital. We had to address both issues simultaneously and pivot quickly."



So how did the firm turn such a big challenge into an opportunity? To begin with, it had to build a venture growth team from scratch. The first step was recruiting Trevor Hope from Beringea, where he led investments from its ProVen VCT funds (see 'Hope springs', right). "You have to look at the style of your approach to investment processes. It's fundamentally different in growth investing to a traditional buy-out business," he explains.

At the end of 2015, Mobeus also started raising its first limited-partnership fund from institutional investors, so that it could continue backing UK SME buy-outs. Broomberg explains: "We were out of the blocks before anyone in a similar position. Our track record helped, but we were fundraising in a difficult environment and were launching a maiden institutional fund.

"In such circumstances, most funds would have been cornerstoned by the European Investment

| MOBEUS'S COMPLETED BUY-OUTS |                            |             |  |  |
|-----------------------------|----------------------------|-------------|--|--|
| Company                     | Adviser                    | City        |  |  |
| Kinneir Dufort              | Momentum Corporate Finance | Bristol     |  |  |
| Advantedge                  | Wilson Partners            | Maidenhead  |  |  |
| Ludlow                      | Seneca                     | Manchester  |  |  |
| Active Travel               | Livingstone                | London      |  |  |
| Cooper Coated Coil          | Odyssey Corporate Finance  | Birmingham  |  |  |
| Geobind                     | WK Corporate Finance       | South East  |  |  |
| T&G                         | PwC                        | London      |  |  |
| Ventrica                    | Forward Corporate Finance  | East Anglia |  |  |
| Star Brands                 | DSW Corporate Finance      | Leeds       |  |  |

#### **HOPE SPRINGS**

Changing the remit of Mobeus's VCT funds meant creating a new investment team. Some skills were there, some were transferrable, but the aim was to put together a growth investment strategy and build the expertise needed to deliver on it. In March 2016, Trevor Hope joined to lead the growth capital investment team from Beringea, where he was CIO for the ProVen VCT fund.

"I certainly didn't want to lose the expertise that Mobeus had of working with traditional SMEs," says Hope. "The fundamentals of looking at a business and working out where its value lies, assessing the quality of the management team and the market opportunity, are the same. Mobeus had strong technical ability for reviewing balance sheets and in forecasting sustainable profitability, which can be an area of growth investing that's a secondary consideration. You still need an interpretation of the detail."

This year, Matt Mead joined as venture partner in the VCT team. Through its four quoted venture capital trusts, the growth team expects to invest £25m-£30m a year, and about two thirds of that will come from new deals. The run rate is around 10 new deals a year and the stakes the firm takes are typically 20-45%.

Hope says they have been "very careful" in building the portfolio: "It's important that our portfolio is balanced across

different verticals and risk profiles. I've been through numerous cycles and, as we are currently experiencing the longest bull market in history, I think it's reasonable to plan for a potential marketplace correction in the short to medium term. Just under 50% of our VCT portfolio companies are currently profitable and we have robust plans to drive our businesses to profitability in the short to medium-term. Some will burn cash over the next few years, others won't."

Follow-on rounds are common. In 2017, Mobeus invested £2m in MyTutor, a digital platform that provides school pupils with one-to-one tuition from highperforming Russell Group university students, as part of a £3m Series-A round. In June 2018, Mobeus led a £5m Series-B round, investing a further £3.6m. "MyTutor is looking to disrupt a market that is worth £2bn in the UK," says Hope. He expects at least one further round to support market-demand-led expansion and importantly take the company to profitability.

While on the buy-out side there is perhaps greater emphasis on it, Mobeus does have dedicated deal origination resource looking at specific companies and sectors. Hope stresses the importance of a strong network of advisers and chairmen to source opportunities.









Fund. However, the fund was launched just prior to the UK referendum on EU membership and so EIF was closed for UK investments. In spite of that, Mobeus reached its first close less than a week after the referendum. So that was our second blessing in disguise - as a result of Brexit, we ended up with a diversified, high-quality international investor base in our fund."

In 2016, Mobeus invested in two management buy-outs (MBOs) from that inaugural LP fund - the  $\pounds 6m$  MBO of Kinneir Dufort, a British design and innovation consultancy, and the  $\pounds 9m$  MBO of Advantedge (then known as Factor 21), a UK invoice finance provider to SMEs.

In 2017, the fund reached its final close with total commitments of more than £166m from 10 international blue chip investors (two-thirds from the UK and Europe, one third from the US). The firm's total private equity funds under management stood at £360m.

As part of the plan to build growth investment activities, Mobeus hired Jane Reoch as investment director in the new team, from Panoramic Growth Equity, in August 2017. She has 12 years' growth equity investment experience, having also worked for the Cass Entrepreneurship Fund and for Bank of Scotland Growth Equity. She trained as a chartered accountant in London at PwC.

Fast-forward four years and Mobeus has transformed itself. It has a full growth team

#### **ZOOM IN ON GROWTH**

In July 2019, Mobeus participated in a £9m Series-C investment in MPB, a Sussex-based online platform for trading high-end photography and filmmaking equipment. Backing MPB throughout its growth journey, Mobeus first invested in a 2016 series-A round and led a £5m Series-B, in 2018. Mobeus co-invested alongside the German VC fund Acton Capital in the company's recent £9m Series-C.

MPB already sells to Germany from the UK and has more than 135,000 active users. The new funding will be used to open its first US operational centre in Brooklyn, with a German site to follow in 2020. The business has grown from £8m turnover in 2016 to a run rate of £40m this year.

"MPB has experienced rapid growth led by a driven and



skilled management team," says Mobeus investment director Jane Reoch. "At Series C, Mobeus was joined by Acton, which has a strong history in building and exiting e-commerce and recommerce businesses, so it was a perfect fit."

Co-founders Matt Barker and Kat Mitchell have been joined by CFO Scott Ryan, chief marketing officer Sophie Collins and chairman Howard Bell, previously head of product at PayPal Europe.

Exit is not on the immediate horizon. "We've got to the right team for scaling the business now. They're not rushing towards an exit as the company is seeing some very positive results from its recent expansion into the US and German markets and is continuing to target a £100m-plus turnover business," says Reoch.

investing its VCT funds, having completed 15 new growth investments and about to complete its tenth UK SME buy-out.

"We're encouraged by the progress made to date," says Broomberg. 'We now have two distinct investment teams, each with a very clear focus but operating overall in a very cohesive way. We've positioned ourselves as a business that can provide funding through the full life cycle of an SME, from early-stage, through growth, to realisation of a founder's shareholding."

Its first limited partnership fund is already more than 50% invested. The plan is to start raising a new fund next year and Broomberg says the firm is in a strong position to do so. In the lower mid-market, in which Mobeus operates, there are, he says, significantly fewer investors than in the mainstream mid-market, which is highly competitive.

"We're typically the first private equity investor in a company, working with management teams and founders to grow and professionalise businesses. Generally, these assets are not optimised when we invest and therein lies the opportunity," says Broomberg.

Broomberg adds that there continues to be opportunities notwithstanding the levels of liquidity creating competition in the marketplace. "In some sectors, pricing is clearly a challenge - tech and IT services businesses, for example. However, in other sectors, such as financial services, traditional manufacturing and business services there are still opportunities with strong buy-side dynamics."

#### **REALISING THE DREAM**

Since 2015 Mobeus has sold nine buy-out investments. This year the firm completed two exits. Its stake in ASL, an independent managed office services business, was sold in July in a secondary buy-out to Primary, generating a 2.2x return on the firm's total investment of £9.7m. ASL augmented its organic growth with an expansive M&A programme - it completed 10 acquisitions during Mobeus's nine-year investment period.

In May, Mobeus sold Plastic Surgeon, a UK surface repair specialist, to Polygon, a European property damage restoration business, which is backed by Scandinavian private equity firm Triton - generating a 5.6x return on investment and an internal rate of return of 20.5%.

Environmental, social and corporate governance factors have become a big focus for Mobeus, as it has for many private equity firms.

Another particular development of note is its scholarship programme. The programme helps young people from less-privileged backgrounds go to university, with financial assistance to help with tuition fees, a paid internship and mentor from Mobeus. "We want to work with talented young adults and alter their career trajectory by providing experience and opportunities they would otherwise not have. As we grow, we are mindful of our broader responsibilities in the corporate and social environment," says Broomberg. •



**52** 

Total assets in portfolio



41

Total transactions since VCT rule change



25

New investments (16 growth, 9 buy-out) since 2015



7

Follow-on growth investments



9

Exits since VCT rule change



#### **PORTFOLIO STRATEGY**

Split between buy-out and growth teams, Mobeus's portfolio management takes a supportive rather than intrusive approach.

In 2016, Justin Maltz joined Mobeus as director from 3i, where he'd spent almost 20 years. In July, he and Guy Blackburn were promoted to partner and portfolio partner respectively in the buy-out team.

Maltz says it is critical that management teams get continuity through deal completion and the life of the investment During due diligence and negotiations, he or Blackburn will get involved in strategy, often taking the main board seat, allowing investment partners to either take a second board seat or stay involved in supporting investments (through board observer roles) while hunting down new deals.

"We've effectively got two roles on the board," says Maltz. "First, our own LP investors know the outcome we are targeting with a specific investment, and I try to make sure that happens. Second, as a director of the company, my interest is in promoting its success alongside the other members of the board. I spend time making sure Mobeus, the management team, non-execs and vendors are all pointing in the same direction.

"If we're making an acquisition, undertaking a refinancing, or dealing with senior people issues, I might spend two or three days a week with one company. If little is going on, I might spend no time with them. I will always be there to help with the strategic issues – but I will not interfere with day-to-day management."

In 2017, Mobeus invested £8m in financial planning business Ludlow Wealth Management. This year Ludlow has completed three acquisitions. Maltz says there is a strong focus on post-acquisition integration, to make sure the target

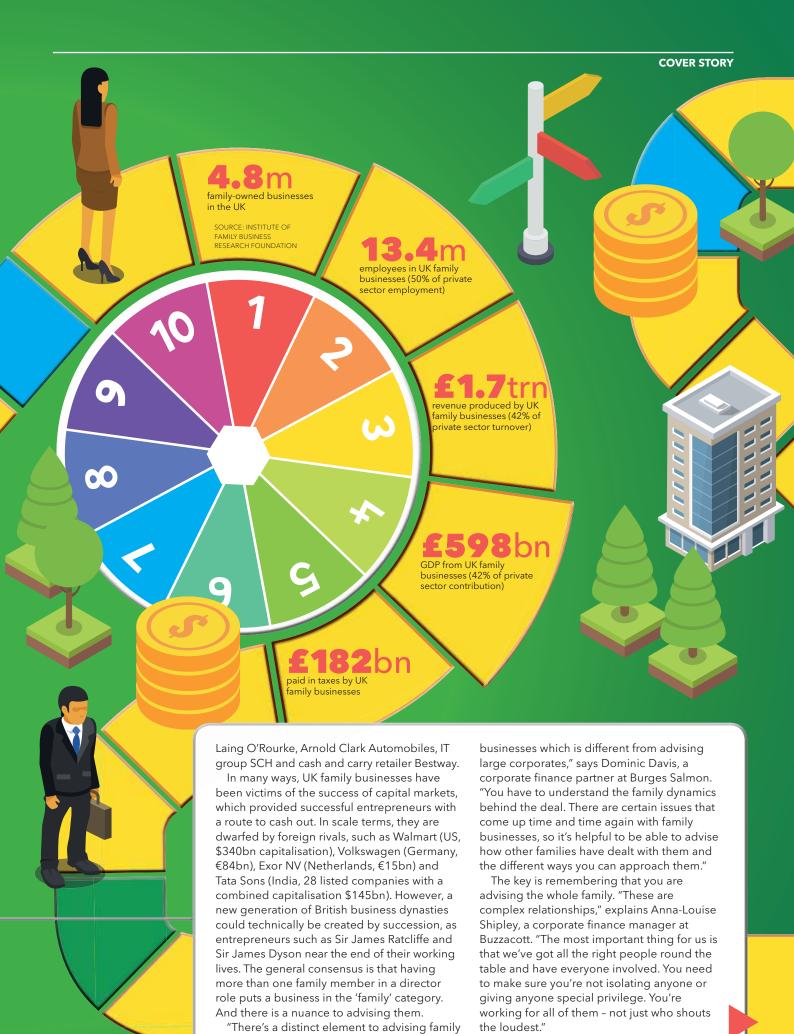
Maltz also represents Mobeus on the board of Active Travel Group (ATG). In 2017, Mobeus backed premium ski trip business Ski Solutions with a £6m investment. This was followed in 2018 by backing the acquisition of high-end adventure operator Wilderness Scotland with a further £3m investment. This created a more balanced year-round activity holiday group, which was renamed ATG. "Now it's a lot more scalable," says Maltz.

# FAMILY FORTUNES

The UK's family businesses have had a good decade. Since 2010, gross value added has increased almost three times faster than other private companies, while employment grew nearly seven times faster. Grant Murgatroyd explores the role of corporate finance in ensuring the next decade is as prosperous

f small and medium-sized enterprises (SMEs) are the backbone of the economy, then family businesses are the vertebrae. There are 4.8 million family-owned businesses in the UK, according to the Institute for Family Business (IFB) Research Foundation. Businesses that are family controlled employ 13.4 million people (50% of private sector employment), generating £1.7trn of revenue (42% of private sector turnover), contributing £598bn to UK GDP and £182bn in taxes in 2017.

The majority of family firms are microbusinesses with fewer than 10 employees, but there are 120,790 small family-owned enterprises with 10-49 employees, 16,505 with 50-249 employees and 1,464 with more than 250 employees. The UK's seven largest family businesses by turnover according to *Forbes* are food and retail group Associated British Foods, steel trader Stemcor, conglomerate Swire Group, construction firm







"There's a distinct element to advising family businesses which is different from advising large corporates"

Dominic Davis, corporate finance partner, Burges Salmon









"It can be quite difficult to persuade people to review their structures until they absolutely have to. Leave it too late and you risk disputes"

Doug Streatfeild-James, senior corporate finance associate, Burges Salmon

#### DOING DEALS

There comes a point in the lifecycle of every family business where a transaction is required, even if it is just managing the transition to the next generation. Doug Streatfeild-James, a senior corporate finance associate at law firm and Corporate Finance Faculty member Burges Salmon, explains: "Ideally, handing over the reins should have been addressed well before the event, but one of the things you find with family businesses is that they can be quite conservative and tend to stick to the status quo. It can be quite difficult to persuade people to review their structures until they absolutely have to. Leave it too late and you risk disputes, which can be difficult to resolve if feelings are running high."

Family business owners can be very focused on their own business and immediate competitors and less aware of trends in corporate finance. Matt Katz, head of corporate finance at Buzzacott, says: "Sometimes, the first part of our job is educating the family about the different options and finding

out what it is that they want to achieve and then we help them decide how it is best to get there. Sometimes they are very clear about their options and are aware they can sell to a trade buyer, but sometimes don't realise that other options, such as MBOs or employee buy-outs, are available."

Preparation is even more important than for corporate businesses. Often, family empires are composed of seemingly unrelated operations, such as when a sibling or child with particular expertise has taken family support and funding to build a business in a different market. Similarly, the lines between business and personal assets such as properties and equipment can be blurred. If these issues are not properly addressed there will inevitably be problems.

In today's market, family businesses are not short of financing options. Tim Armstrong, lead advisory partner at PwC, says: "Traditional clearing banks have been operating with and lending to many family businesses for as long as

those family businesses have been around. In terms of exit, trade sales are common. Where a family doesn't have family succession but has a management team who have been part of the business, an MBO can be a useful way to transition the values and core purposes of the business and release cash and value to the family.

"While there is sometimes less of an obvious fit with private equity, it is not out of the question, particularly to support an MBO with funding, for example. We are also seeing more investment from family offices, who typically have slightly longer time horizons than private equity."

Anna Faelten, an EY partner and head of TMT, says private equity has become increasingly attractive to family businesses: "They're often very savvy, very knowledgeable and do a lot of improvements to the business. A family-owned business might be more inclined towards some sort of employee or management led buy-out, but you often need a financial backer for that."





#### **OUT OF THE WOOD**

Not many family businesses trace their lineage back to a founder being duped by a conman. Seven decades ago Giles De Lotbiniere's grandfather fell for a compelling sales pitch for a new type of concrete block made of wood, sand, cement and a magic ingredient. The retired engineer agreed to start production before realising the magic ingredient was a fraud

But there was magic to one of the ingredients: wood. In building bricks, the addition of wood makes them light, smooth, warm, able to manage moisture and perhaps surprisingly - good in a fire. Today, Lignacite's woodenriched cement bricks lock up so much CO2 that a block can be transported 100 miles and still be carbon neutral. Lignite bricks have been used in the Gherkin, the Olympic Stadium, and both

Heathrow and Stansted Airports.

De Lotbiniere's sons, sister and cousins all work for the business, which also employs multiple generations of other families. In the downturn, directors took a 50% pay cut and the workforce 10%, helping the business through difficult times and positioning it for growth afterwards. In 2019, the company featured in *The Sunday Times'* Profit Track 100.



#### **SPEAKING FAMILY 2 FAMILY**



"The nature of a family business is that the family has this fantastic degree of trust among each other, and they expect to have similar trust with their advisers," says

Jim Keeling (pictured), chairman and chief executive of advisory firm Corbett Keeling (CK), which he co-founded 25 years ago. "They can spot it a mile off if you don't have integrity."

How does integrity manifest itself? "We may meet with a family business and they say they want to sell, but an hour later we're telling them that would be a mistake as they obviously have some preparation to do. As our fees are largely contingent on the transaction happening, it's clear we are putting their interests first."

Sector expertise particularly resonates with family-owned businesses, says Keeling. CK has 26 sector specialists, who both advise and originate deals. These specialists cover six broad sectors: consumer, healthcare, financial services, industrial, support services and TMT.

CK focuses on the three Cs - cash, chemistry and certainty. "Often, business owners will have an idea of the cash proceeds they want in the end. There will need to be some chemistry with the eventual buyer, because they want to trust that the family legacy is left in the right hands. And then there is certainty - once started they want to know the deal will be completed."

Family businesses are often known to Corbett Keeling's sector specialists. Gee Lawson, a London-headquartered family-owned distributor of life sciences ingredients, for example, was introduced by the firm's chemicals sector specialist. In 2016, the firm advised on the sale of Air Charter Services, another family business. Its founder chairman Chris Leach had been looking for the best exit route for a long time. The sale of a 30% stake to Alcuin Capital Partners allowed Leach and his wife to cash out and their son to stay in the business.

In December 2018, CK advised John and Maxine Murphy on the sale of their East Anglian-based restaurant chain, Arbuckles, to an employee ownership trust. "The employee ownership route to exit actually plays very well with family businesses, as it gives the seller a 'good feeling' about selling the business on to staff, who often will have helped them build the business and to some extent feel like family."

The last thing that resonates, says Keeling, is that CK is a family business too - his wife Emma is COO and his brother Simon is a non-exec. "We empathise. Often there is a lot of emotion caught up with a family business sale - are they the generation that let it down? They need reassurance."







"You're working for all of them not just who shouts the

Anna-Louise Shipley, corporate finance manager, Buzzacott

#### **GUARDING THE FAMILY SILVER**







communication is difficult at the best of times. When it's about money, that difficulty increases exponentially. But families avoid these conversations at

their peril. "The decisions you make around a family business and making an exit from it have repercussions that can last decades," says Keith Sheehan (above, top), wealth director at Brewin Dolphin. "I've seen a number of different situations where these decisions were made incorrectly and families were wrecked."

As important as selecting and structuring an exit or investment is making sure that family members' objectives and objections are known. "What do they want? Do they want to pass it on as a going concern? Do they want to create

burden of a business down to the next generation?" says Sheehan. "The big thing is understanding people's aims and getting them to think about different scenarios."

Planning for what to do with the proceeds should start as soon as possible, says Paul Martin (bottom, left), an investment management and financial planning director at Brewin Dolphin. "Any deal will start with a number; this might have been offered by a potential buyer or it might be a number that the family have always had in mind the latter will not always have a methodology behind it."

But once a reasonable estimate has been agreed, what that number translates into in terms of replacing lost income and providing a capital base will influence decisionmaking. "This can provide some flex should a reduced purchase offer be made during negotiations," adds Martin.

"Family businesses face a specific challenge attracting senior level talent and getting the relevant skills around the board table to address the changing world"

#### HARE AND TORTOISE

**SECURITY** 

Family businesses can pursue a longer-term strategy than public and private equityowned companies. "A lot of family businesses weathered the downturn well," says Hannah Harris, UK family business leader at PwC. "At one of the respondents to our annual survey, the family directors took quite a significant pay cut to avoid closing a plant when their competitors were closing theirs and they've now emerged as the leader in their industry."

This longer-term approach is highlighted in PwC's 2018 Global Family Business Survey. Top of a list of challenges for the next two years are the need to innovate (66%) and access to skills and capabilities (60%). Hot areas such as digitalisation (44%), cyber security (39%), data management (39%) and Al/robotics (22%) are in the list of concerns, but not given the same priority.

"Talent is an area of concern far above Brexit and political uncertainty for family businesses," says Harris. "It's an issue for all businesses, but family businesses face a specific challenge attracting senior level talent and getting the relevant skills around the board table to address the changing world."

Families have to adjust to allow non-family executives to drive change and work out how to compensate them, such as by issuing different classes of shares, allowing the family to retain voting control and issuing growth shares tied to the performance of the business from the point of joining to new talent. PwC found the proportion of family businesses achieving double-digit sales growth fell from 42% in the first generation to 32% for the second generation, 27% third, 32% fourth and 22% for subsequent generations. Of course some of the decline can be explained by the growth of those businesses and the inevitable slowing down as the business matures.

But, as a group, UK family businesses have prospered since the global financial crisis. Employment at family businesses rose 38.2% and gross value added (GVA) 51.6% in the period from 2010 to 2018, compared to just 5.7% and 18.8% at non-family firms, according to the IFB.



#### **CASE STUDY: SEASALT**



In September 2018, BGF invested £11.5m in Cornish clothing and lifestyle brand Seasalt, with £4.5m of debt provided by Santander Corporate & Commercial.

Seasalt's turnover was £51m, with 50 stores employing 689 people. CEO Paul Hayes, who joined in 2013, said the investment would allow the company to go much further on all fronts.

Seasalt was born in 1981, when the Chadwick family bought a general clothing store shop. The Seasalt brand took form in 2001, when the three brothers, Leigh, David and Neil, took over from their father. Neil Chadwick's wife Sophie is the textile expert and print designer.

Relationships were crucial to the deal. Gary Partridge of Lexington Corporate Finance in Cardiff met the family five years ago. The aim was to find a deal that would allow two of the brothers to continue with the business and all three to realise some value.

"The key was not only to get the right financial terms, but to have an investor that shared their values, that wanted to work in partnership with them," explains Partridge. "BGF has refined its investment style and model, and has got some people who have a good bedside manner with family businesses."



"Family businesses face a specific challenge attracting senior level talent"

Hannah Harris, UK family business leader, PwC



"While there is sometimes less of an obvious fit with private equity, it is not out of the question"

Tim Armstrong, lead advisory partner, PwC



DATA MANAGEMENT

> "A family-owned business might be more inclined towards some sort of employee or management led buy-out"

> > Anna Faelten, EY partner and head of TMT



"It was always about how we do business rather than what we do as a business"

> Victoria Mars, former chair, Mars Inc



One attraction of family businesses is their sense of values and purpose, a feeling that business isn't just business. In the PwC survey, 79% of respondents felt they had a strong sense of values and purpose.

For example, Mars Inc, a fourth generation family business with 115,000 employees and turnover of more than \$35bn, is governed by five principles: quality, responsibility, mutuality, efficiency and freedom. "From one generation to the next, it was always about how we do business rather than what we do as a business," Victoria Mars, chair of the business from 2014 to 2017, told PwC.

"Purpose is - on average - more obvious within family businesses," says Harris. "A family business doesn't necessarily always articulate its purpose and spend as much time thinking about it as some large corporates do, but the purpose within them is often more obvious when you actually look at how the business operates in its community, and the way they look after employees and other stakeholders."





# BUYING BELGIAN, GOING DUTCH

The Benelux region is the meeting point of several cultures. But is it the meeting point for M&A? Jason Sinclair finds out

Current talk in European football is of top-flight Dutch and Belgian teams competing in a BeNe League. The idea is they compete for attention, sponsorship and players with the big five European leagues. That's just sport, but when it comes to M&A, Benelux is already a big player in its own right.

AnheuserBusch InBev, for example, was the world's largest brewer even before its \$107bn acquisition of SAB Miller, and is Belgium's largest company by some distance. The 'In' of InBev is from Interbrew, itself a merger laced with symbolism between the Flemish Stella Artois and the Walloon Piedboeuf.

According to Refinitiv, in the nine and a half months to the middle of October, M&A deal value announced in the Benelux region was \$71.1bn the highest amount at that stage of the year for six years. It bucked the trend for the rest of Europe, which had returned to levels closer to 2016.

Can the cultural divisions that see parts of the region look to France and parts to Germany allow Benelux to be treated as one region? Or is it just a geographic construct - a neat though fairly arbitrary division made by corporate planners keen to section the world into manageable packages?

The Netherlands, with its mercantile history, has huge corporates like Royal Dutch Shell, Unilever



"Everyone in Holland speaks English, and if you have a good story, they're willing to listen to you"

> Boris Kawohl, partner, 3i

and logistics. Luxembourg is the technical home of ArcelorMittal and a raft of financial companies including private equity (PE) giants CVC, KKR and Blackstone.

The region traditionally has significant manufacturing business. Ford, Opel, Audi and Volvo have auto plants in Belgium. Industrial, petrochemicals and shipping are other key sectors. In one of the largest deals announced this year, Dutch oil and chemicals storage company Vopak has sold three terminals in Amsterdam, Hamburg and Algeciras to London-based First State, the investment arm of Colonial First State Global Asset Management for €723m.

#### **PRIVATE EQUITY PROSPERING**

PE in general has become a dominant force in deals across the region. Boris Kawohl, an Amsterdam-based partner at 3i, says, "Benelux has always been an open market for PE, without all the negative discussions you get in Germany. In Benelux, PE has been more involved in business services and consumer rather than manufacturing, and that leads to more positive sentiment.

"Also, everyone speaks English, and if you have a good story, they're willing to listen to you. That's led to the market being more open to investors from abroad."

When 3i set up its Amsterdam office in 1998 it was one of the first to establish a local footprint with a local team. "Developments over the past 15 years have led the PE market to become more internationalised - people setting up shop here but also fly-ins," adds Kawohl. "The market has become more transparent and that's allowed people to get



deals done from the outside."

PE firms such as HPE Growth, Life Sciences Partners and Goodwell Investments lead European investments out of Amsterdam. And global players such as Carlyle Group and AlpInvest have bases in the Dutch city.

3i's investments in the region include optical retailer Hand Anders, fitness clubs Basic-Fit, and personal care products company Royal Sanders, which completed a cross-border deal into the UK for the personal care division of McBride, whose main operations are in Preston. "The number one value-driver for almost all of our investments is international growth," explains Kawohl. "That can take two shapes – either organic roll-out as with Basic-Fit, or buy and build, as with Royal Sanders personal care. You have to pay high prices for attractive consumer businesses, but cross-border synergies can make it worth it."

Kawohl feels the winners for PE in the region are traditional businesses, and that could be good news for Belgium as long as PE has boots on the ground.

M&A with the UK fluctuates widely in terms of value of deals, but has consistently seen more than 100 announced deals a year, according to Refinitiv. In the 10 months to October there has been \$8.6bn of Benelux acquisitions of UK businesses (up from \$0.6bn in 2018), and \$1.7bn in the other direction (down from \$27.6bn in 2018).

In July, Netherlands-based business takeaway. com announced a £4.3bn takeover of UK-based Just Eat, which is the biggest deal of the year so far between Benelux and the UK, although at the time of publication Prosus of South Africa had made a rival \$4.9bn unsolicited bid for Just Eat. The biggest UK acquisition of a Benelux business was Mesh Holdings' acquisition of Sentiance for \$329m.

|                 | Benelux target |              | European target |              |
|-----------------|----------------|--------------|-----------------|--------------|
| Year            | Value (\$m)    | No. of deals | Value (\$m)     | No. of deals |
| 2014            | 73,181.9       | 804          | 846,655.8       | 14,454       |
| 2015            | 63,562.2       | 974          | 865, 632.8      | 15,904       |
| 2016            | 40,348.6       | 1,085        | 714,841.0       | 16,550       |
| 2017            | 48,483.7       | 1,080        | 753,264.6       | 15,967       |
| 2018            | 81,346.7       | 1,076        | 989,939.6       | 16,084       |
| 2019 (9 months) | 71,059.4       | 798          | 539,656.1       | 11,397       |

TABLE OF DEALS (FIRST 10 MONTHS OF THE YEAR)

SOURCE: REFINITIV



"In the
Netherlands
they have
some large
multinationals,
but we have
fewer and that
changes the
dynamic of
the market"

Lieve Creten, partner, Deloitte

# M&A with the UK fluctuates widely in terms of value of deals, but has consistently seen over 100 announced deals a year

#### **TWO TIERS**

Lieve Creten is a partner at Deloitte in Belgium, heading up the M&A transaction services team. She says that a big difference between the Dutch and Belgian markets is that Belgium is a country of mid-sized companies. "In the Netherlands they have some large multinationals, but we have fewer and that changes the dynamic of the market. The Dutch market is more Anglo-Saxon - we partly align with the Netherlands and partly with France. This makes the Belgian market less transparent than the Dutch market. I hear a lot from PE players that the Belgian market is more difficult to explore, which is partly because we have a lot of 'hidden jewels' - family businesses that are not so visible."

Creten says that larger PE houses from the US, UK and Scandinavia have been more active in the Belgian market, and perceptions of that capital



have improved: "There's been a concern that they're only interested in short-term returns and a lot of family-owned companies looked on them as sharks. That perception changed with some very positive deals that have led to second and third buy-outs and company growth. Some of these mid-sized companies have maybe not had the greatest ambitions, and PE has been seen to help with that and make companies more sustainable and profitable."

Bank financing is readily available, often through the incumbent banks KBC and Belfius. "I don't get the impression that it's difficult to get finance for the deals," says Creten.

#### **BOATS AND BANKS**

In Rotterdam, Tobias Broeders is a partner for EY involved in port-related assets. EY is organised so that Belgium, the Netherlands and France are one technical 'region' for the firm, and city offices work more sectorally. Broeders is seeing "a lot of capital around and PE becoming a crowded market with new entrants as well as existing players increasing the sizes of their deals".

Broeders has observed banks in the Netherlands becoming less eager to provide deals with high debt multiples. "However, sellers still have the old price expectations, so there's a bit of a price gap between buyers and sellers. There have been historic issues with some Dutch banks - and they'll also be thinking about how protected they are for

#### **BREXIT EFFECT**

While Brexit has not happened (yet), some companies are moving their European headquarters from the UK to the Netherlands. Others have suggested they would switch from London-Amsterdam dual headquarters, but backtracked.

Has Brexit been a deal-driver? Deloitte's Lieve Creten says: "I've not seen a lot of impact from Brexit. Some Belgian companies have looked outbound to keep a hold in the UK market, but I haven't noticed anything inbound that looks inspired by Brexit. That's happened more in the Netherlands."

3i's Boris Kawohl adds: "Amsterdam is an international city. On the business side, some finance teams have shifted here - but there's been no big inflow of structural set-ups yet."

EY's Tobias Broeders has seen moderate
Brexit effects: "There's some movement from
companies opening in Amsterdam or
Rotterdam. Anyone investing in firms that rely
on trade flows to and from the UK are cautious,
but that doesn't mean it's not happening.
People realise the trade flows are still going to
be needed. There are still people in
England who need to eat and we have
a lot of food here."



"Sellers still have the old price expectations, so there's a bit of a price gap between buyers and sellers"

Tobias Broeders, partner, EY



"More money is available. We're getting closer to the levels we saw pre-crisis"

Casper Haket, partner, Deloitte

#### "Private equity firms are typically setting up auctions and there is a lot of appetite for banks to get involved in financing"

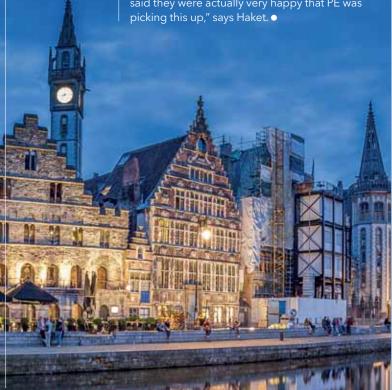
any downside to come. They issued a lot of leveraged deals in the past few years and have a lot in the portfolios, so are starting to de-risk," he explains. "Meanwhile, debt funds are emerging, which can take the higher leverage and are more flexible, but of course more pricey."

#### **SELLER'S MARKET**

Casper Haket and Kuif Klein Wassink, partners at the law firm Dentons, have been involved in dozens of deals in what they categorise as a seller's market in the region, often with international PE firms expanding their interests. "More money is available," says Haket. "We're getting closer to the levels we saw pre-crisis. It's mostly Dutch focused, but Belgian deals are adopting some of that style too."

Wassink says that PE firms are typically setting up auctions and there is a lot of appetite for banks to get involved in financing.

There is also a changing perception of PE and pushback from traditional works councils, adds Haket: "We assisted KKR in buying the spreads business from Unilever last year for \$8bn. The head of the works council at Unilever said they were actually very happy that PE was picking this up." says Haket.



# THE BIG NIGHT



Members packed Painters' Hall in the City of London for the Corporate Finance Faculty's annual reception, reports Marc Mullen











# A YEAR IN CORPORATE FINANCE

Deb Oxley OBE, chief executive of the Employee Ownership Association, was guest speaker at the Corporate Finance Faculty's annual reception, held last month at Painters' Hall in London.

Addressing an audience of more than 200 guests, Oxley began by suggesting that a wider definition of corporate finance could include advice to encourage "long-term, productive sustainability of more inclusive businesses". She explained why: "Because there is a global debate across all developed economies around what business is for. And corporate finance sits at the heart of business."

Having outlined the characteristics of likely employee ownership transitions, Oxley went on to speak about three recent employee buy-outs (EBO): Aardman Animations, the Bristol-based film production company behind *Wallace & Gromit*; Union Industries, a family-owned manufacturer of high-speed roller doors based in Leeds; and electronics retailer Richer Sounds, whose EBO saw 500 employees share £3.5m.

She added that it was increasingly important that corporate financiers understood the opportunity so that it could be put on the table for vendors.

"Are EBOs capitalism? Are they socialism? They are about developing a way of running businesses that act in the long-term interests of all their stakeholders, recognising that sharing wealth and influence among all employees can deliver significant value add," she said. "They are about socialising capital."

Faculty chair and head of private equity at Grant Thornton, Mo Merali, gave a speech outlining the invaluable work carried out on behalf of members this year by the faculty. This included David Petrie, ICAEW's head of corporate finance, representing the Institute on the government's newly created Business Finance Council from September, and the *AI in Corporate Advisory* guideline - co-written by Shaun Beaney (ICAEW) and Rosanna Woods (Drooms) and published in June - as well as the work of the technical committee and the forums held throughout the year for the benefit of members.

Having welcomed guests at the start of the evening, Petrie then also thanked the faculty's members, board and staff.

This year's annual reception was co-sponsored by Drooms and Arbuthnot Commercial Asset Based Finance, Beauhurst, Cantab Asset Management, Mark to Market and ThinCats.

## **MOST SUCCESSFUL AT M&A**

Annual reception guests saw FTSE 100 information and analytics company RELX presented with ICAEW's Corporate Development Award for its successful acquisition strategy.

RELX is a £36bn market cap global provider of information-based analytics and decision tools for professional and business customers. It was featured in the February 2019 issue of *Corporate Financier* as one of the UK's most acquisitive companies.

Last year it acquired California-based venture capital-backed ThreatMetrix for £580m. It is one of the largest repositories of online digital identities in the world and the deal was RELX's largest acquisition of the past decade.

RELX director of corporate finance and head of M&A, Sybella Stanley, said: "ThreatMetrix is widely recognised as a leader in the digital identity space. The acquisition was in line with our organic growth-driven strategy, supported by acquisitions of targeted data sets and analytics that are natural additions to our existing business.

"We have always been very selective with our acquisitions, wanting them to really fit and be tightly integrated with our strategy," added Stanley. "We look for acquisition opportunities to augment organic growth rather than transform business."

As well as Stanley, the M&A team includes five other staff, four of whom are ACAs. Deals come from the operations, which are "deeply enmeshed in their markets" and RELX then uses advisers for financial and legal due diligence on most deals. Where appropriate, it takes commercial and reputational risk advice.

The Corporate Development award is based on a 'best-in-class' methodology devised by the Corporate Finance Faculty, led by David Petrie, with the M&A Research Centre at Cass Business School, led by professor Scott Moeller. It involved an empirical analysis of the contribution of substantial acquisitions made between January 2017 and July 2019.

Petrie said: "Every year we identify the Londonlisted company that has made the most effective use of M&A to increase shareholder value and grow. I'd like to congratulate RELX, a global company with 30,000 employees, which was the best performer according to the unique methodology we've developed."

Previous winners of this award represent a wide range of industries and have included Weir Group, Intertek, Aberdeen Asset Management, Victoria Plc, Rentokil Initial and Coats Group.

When it comes to tapping into the corporate finance network, Stanley added: "There is a lot of innovation going on in smaller and mid-size businesses, particularly out of universities in recent years.

"A network of corporate financiers may often have better access to that deal flow than us, because they are working actively with those businesses."





# CORPORATE FINANCE DIPLOMA PRIZEWINNERS

Prizes for ICAEW's Diploma in Corporate Finance exams were also presented to Alec Stokes of RSM and Charlotte Mancuso of Lexington Corporate Finance



Having completed a work placement with RSM in London, **Alec Stokes** joined the firm as a corporate finance executive in September 2017. Last year, he started the Corporate Finance Qualification (CFQ)

and was promoted to private equity (PE) associate on completion of his studies.

#### WHAT IS YOUR CURRENT ROLE?

I work in business development, which is perhaps an unusual role. I don't do the nuts and bolts of transactions. I'm responsible for our relationships with the PE community and growing the firm's delivery of audit, tax and advisory services to both PE clients and their portfolio companies. I also work with RSM's corporate finance teams nationally on PE transactions.

### HOW DID YOU FIND STUDYING FOR THE DIPLOMA?

I learned a lot, and I really developed my technical skills over the course. It doesn't impact my day-to-day work, but when I meet a PE firm now, I have the technical understanding of what the challenges are on certain transactions. This gives me much more credibility, because I can talk about valuations, deal structures and M&A strategy. It is also a great help if I am meeting vendors or management teams who are considering doing a PE deal. I can talk about the intricacies of leveraged buy-outs, as well as exit routes. It has broadened my skills, which will be useful if I want to move into more of a technical transactions role later in my career.

#### **WOULD YOU RECOMMEND IT?**

I'd recommend it as a very practical course. It gives you the theory and the technical foundation to become a good corporate finance practitioner. The real-life case studies were particularly useful - they brought the technical knowledge to life. The course focuses on large deals and large companies, but you can definitely apply the learning to lower mid-market deals that RSM typically advise on.

"This gives me much more credibility, because I can talk about deal structures and M&A"



Charlotte Mancuso joined Lexington Corporate Finance in Cardiff in April 2018 as assistant manager from MHA Broomfield Alexander. She started with MHA in October 2011 and moved into corporate

finance in October 2016.

### HOW DID YOU GET INTO CORPORATE FINANCE?

I joined MHA Broomfield Alexander straight from college and worked in audit and accounts. Once I qualified as an ACCA, I moved into the corporate finance team and worked on a number of transactions over an 18-month period. I developed financial modeling and analysis skills, and worked on fundraisings and strategic reviews.

#### WHAT IS YOUR CURRENT ROLE?

We are a boutique advising businesses across the UK in the £5m-£25m enterprise value range. We offer a broad range of services on acquisitions, disposals and growth funding, as well as providing due diligence and independent reviews on proposed transactions. Gary Partridge is managing director, Thomas Edwards director, and there is an executive, an associate and myself. I lead smaller transactions and work with Gary and Thomas on larger ones. Recent deals have been in a variety of sectors but include retail and further education.

#### WHAT WAS THE KEY LEARNING IN THE CFQ?

The course has definitely improved my valuation and analysis skills, and how I practically apply that in the work we do. It's crucial to understand how value is created and be able to analyse how that's affected by performance, and debt and equity structures.

#### **WOULD YOU RECOMMEND IT?**

I would definitely recommend the CFQ - it gives you a good solid technical grounding, develops your core corporate finance skills, but perhaps most importantly you learn how to apply theory in practical situations. And it certainly improves your career prospects too.

"It's crucial to understand how value is created and analyse how that's affected by performance"





# DESIRE PATHS

WK Corporate Finance associate director **Daniel Jonas** talks to Jo Russell about the importance of developing personal contacts within private equity firms



I didn't take the conventional route to chartered accountancy. I opted for work experience rather than a degree, joining the firm in 2008 on a fast track AAT-ACA training scheme. I moved into corporate finance shortly after qualifying. The culture at Wilkins Kennedy seemed a good fit and it was SME-focused. I felt working with a mid-tier firm would give me a broad understanding of businesses and direct exposure to senior management.

### WHEN DID YOU MOVE INTO CORPORATE FINANCE?

The key driver was wanting to move to an area where I could add more value to clients. I knew the WK Corporate Finance team was expanding and that there were ambitious plans for the division. When I joined in 2012, there were only five people, so I had a lot of responsibility from day one. We are now 20-strong and part of the Cogital Group. It has been great to play a part in the growth story to date and it has accelerated my development at a personal level.

### WHAT DOES YOUR WORK INVOLVE?

When I first started, it was a very varied role, but in the past 24 months I have consciously shifted towards external fundraising and PE-led transactions, particularly early-stage growth capital and lower mid-market M&A, between £2m-£25m. I advise management teams looking to raise growth capital, typically early stage, and on the flip side I also provide financial due diligence services to a broad range of PE firms and debt funds. In the

past year, I've been involved in about 25 transactions, predominantly in the TMT sector. Exposure to this level of deal volumes is a positive quirk of the dual advisory/TS role I currently enjoy.

### WHAT WAS YOUR MOST RECENT DEAL?

It was a £4.5m investment into SharpCloud, a B2B enterprise software-as-a-service (SaaS) business, by YFM Equity Partners. It was an early-stage growth-capital deal. I led the deal from the initial pitch through to completion, building an investor deck and forecast model, leading negotiations and guiding the management team through the process. It took four to five months. The deal was referred to me by one of my PE contacts. Networking and building relationships is part and parcel of what we do. Despite being part of a big accountancy group, we still rely on referrals from previous clients and our contact base. I was recently named Emerging Dealmaker of the Year at the 2019 Insider Media

I felt working with a mid-tier firm would give me a broad understanding of businesses and direct exposure to management



South East Awards. Alongside my expertise, the judges pointed to my reputation with the PE and debt community.

### HOW HAS STUDYING HELPED YOUR CAREER?

I took the ACA as it is well recognised and opens a lot of doors. At the time, I wasn't sure where my career would go, whether into an industry finance role, staying in audit, or moving into a specialist sector like corporate finance. Doing the ACA helped broaden my understanding of those sectors and helped my decision-making process. In 2018, I completed the ICAEW Diploma in Corporate Finance. It broadened my knowledge of areas that we don't deal with on a day-today basis. We have an SME client base and focus on transactions typically up to £50m. We don't, for example, tend to get involved in listings. Having the diploma allows me to talk about those other options at a high level and provides a more well-rounded knowledge base wherever your career takes you.

#### WHAT DOES THE FUTURE HOLD?

I see myself staying in the corporate finance world, continuing to progress and building my reputation. Not everyone has a job they genuinely enjoy, but for me corporate finance has a bit of everything. We are constantly meeting new, interesting people and businesses, and are part of our clients' journeys at key stages. Whether that's a Series A funding round or an exit, we get to be immersed in the crazy art of negotitation. What's not to like? •





Keith Morgan is to stand down as chief executive of the government-owned British

Business Bank at the end of 2020. Morgan, who is a member of the Corporate Finance Faculty's board, has been in the role since December 2013, when the bank was established.

The bank currently supports more than 90,000 smaller businesses, with more than £7bn of loans or investments through its various programmes. The bank has also introduced regional finance programmes to the Northern Powerhouse, the Midlands Engine and other areas of the country, as well as developing the Business Finance Guide with ICAEW.

The British Business Bank's chair, Lord Smith of Kelvin, said: "Keith has been an outstanding leader, building the business from scratch to create an organisation with considerable scale, reach and impact on smaller businesses across the country. The financial capability he has created in the bank is supporting start-ups and growing companies in every region and nation of the UK and is helping the most innovative UK companies to become the world class companies of tomorrow."



Avanish Katkoria has joined the WK Corporate Finance team from BDO, where he worked in

the financial services sector group and qualified as an ACA earlier this year. He has a BSc in economics and statistics from University College London.



Ben Goldring has been promoted to director from associate director at

**Cavendish Corporate Finance (part** of finnCap). He joined Cavendish as an M&A executive from Deloitte, where he trained as an ACA, and had become manager in the corporate finance team.



Eric de Montgolfier has been appointed CEO of Invest **Europe**. He will take up the

role at the end of December. Invest Europe represents Europe's private equity, venture capital and infrastructure sectors. de Montgolfier is joining from Brussels-listed investment manager Gimv, where he was partner and head of Gimv France.

He succeeds Michael Collins who

stepped down as CEO in August after six years in charge.



Simon Dingemans, previously CFO of GlaxoSmithKline, has taken over as chairman of the

Financial Reporting Council (FRC). Sir Jon Thompson, formerly chief executive of HMRC, joins as chief executive. They replace Sir Win Bischoff and Stephen Haddrill respectively.

The FRC has recently come under fire over the way it has regulated the accountancy and audit profession. Following the collapse of Carillion and BHS, the Kingman review made 83 recommendations, one of which was that a new regulator should replace the FRC.

Dingemans said: "The UK is rightly considered one of the world's preeminent financial centres and the FRC - and its successor, the Audit, Reporting and Governance Authority - has a big role to play in setting and upholding high standards for audit, reporting, governance and stewardship in order to protect the interests of investors and other end-users of financial information."



Solihull-based adviser **Jerroms** has merged with **Blue Sky Corporate Finance.** 



Its corporate finance division will be rebranded and run from its headquarters in Blythe

Valley Park. Alongside Jerroms directors Lucas Markou (1), Mark Eden and Paul Heaven (2), former managing director



#### **PE SHORTS**



Jessica Bartos has been

appointed investment manager at AlbionVC. She joins from Rothschild & Co where she advised TMT firms on M&A. She previously worked for the US government, where she financed infrastructure projects in emerging markets.



Livingbridge has recruited three investment managers:

Harrington (1)

KPMG; and



from Next Wave Partners; Robyn Smith (2) from

Andy



Tom Smith (3) from Deloitte. Harrington was investment associate

at Next Wave, having previously worked in EY's private equity team. Robyn Smith was investment associate in KPMG's M&A team. Tom Smith was an executive in the lead advisory M&A team at Deloitte. The firm also hired Cate Pfirman (4) as fund raising manager from Ardian in New York, and Yun Ma (5) as strategic fund analyst from Ekimetrics.



Beechbrook Capital has recruited Paul

Whitehouse as an investment director who will lead its deal origination and execution activity across the Midlands. He joins from Lloyds Banking Group.



Maven Capital **Partners** 

has recruited David Nixon as an

investment manager to help manage funds across the £27m North **East Development** Capital Fund. Prior to Maven, he worked at **RG** Corporate Finance advising on regional and national midmarket deals.



Buy-out group KKR has announced a number of

promotions in





of Blue Sky, will head up Jerroms Corporate Finance.

Rothschild & Co has agreed to buy Livingstone's UK business, a 34-strong team that provides dealmaking, debt and special situations advice to privately owned companies and entrepreneurs.



**CBW** has recruited Philip Bird as a partner in its corporate finance team from BDO. Prior

to BDO he worked at Moore Stephens and Grant Thornton, and before that in private equity at RBS and Hawkpoint Partners. He has a first-class economics degree and an MBA from Cranfield School of Management.

He will be responsible for identifying and developing new business opportunities for the firm, as well as providing additional support and expertise to existing clients.



Cornelia Andersson has joined financial markets data firm Refinitiv as global head of

M&A and capital raising. She has joined from Blackstone, where she was senior vice-president, global head of research and market data, leading the firm's market data and business intelligence functions globally.



Dennis Kasch has joined virtual data room provider **Drooms** as business development

manager from Intralinks. Based in Frankfurt, he will work on corporate finance and M&A.



**Dow Schofield Watts** has expanded into Scotland through a partnership with



**Hall Morrice Corporate** Finance in Aberdeen. Melanie Clark and Tom Faichnie

founded Hall Morrice Corporate Finance in 2017. Clark was previously at KPMG and RSM. Faichnie, played a key role in building Deloitte's deal advisory team in Manchester, and developed Barclays' global investment strategy for the oil and gas sector. More recently he was a partner at RSM.

Faichnie said: "This partnership with Dow Schofield Watts will boost our global reach in line with the increasingly international nature of the oil services industry, and enable us to leverage the expertise within the group to support other fast-growing entrepreneurial businesses in the region."



Onecom has recruited Christian Craggs, who joins the independent business

telecommunications provider as its first director of M&A and strategy.

Onecom recently secured a £100m funding package from LDC and credit funds managed by an affiliate of Ares Management.

Craggs will define Onecom's M&A strategy and lead all of its M&A transactions. He previously worked at Oakley Advisory.

Kingston Smith has changed its name to Moore Kingston Smith to reflect the firm's membership of the Moore Stephens International network, which it joined in May. Moore Stephens International has rebranded itself as Moore Global.



The Financial Conduct Authority (FCA) has appointed Sheree Howard

executive director of risk and compliance oversight. She replaces Barbara Frohn.

Blick Rothenberg, a London subsidiary of Cogital Group, has acquired Rees Pollock, which focuses on advising owner-managed businesses, particularly those regulated by the FCA.

Smith & Williamson and Tilney have agreed to a merger, which will see Smith & Williamson shareholders receive £625m in cash and shares in the enlarged group. The transaction values the combined business at £1.8bn.

**Duff & Phelps** has expanded its London presence with a new office at The News Building.

Kreston Reeves has recruited Steve Gauke from legal firm Exigent, where he also developed new business leads.







Mattia Caprioli (3) and Philipp Freise (4) are to co-lead the PE business in Europe; and Hiro Hirano (5)

and Ashish Shastry (6) will head up PE in Asia-Pacific.



Camille Emin has joined French

private equity firm **Activa Capital**, associate, from BNP Paribas.

James Lander has joined Caledonia Private Capital in Birmingham, as an investment executive.



#### **LEGAL BRIEFS**



Courtney Haseley (1) has joined

Gibson,







from the US Securities and Exchange

Commission. And in New York, Scott Greenberg (2), Steven Domanowski (3) and Michael Cohen (4) have joined as

partners from Jones Day's business restructuring and reorganisation practice.

Weil Gotshal has recruited David Avery-Gee as an M&A partner from Linklaters.

#### **Addleshaw Goddard** has recruited Paul

Fleming as partner in its London restructuring practice from Dechert. Prior to that, he was with DLA where he was made a partner in 1999.



Derek Swanson has joined

**Denton's** corporate practice in Atlanta. In Saudi Arabia, Imtyaz Sattar has joined as counsel from K&A, in association with Allen & Overy. In Vancouver, natural resources specialist Robin Longe has joined as corporate partner.



# **ALL THE WORLD'S A STAGE**

It might have taken three years, but Nicola Horton of Moore Kingston Smith achieved a record price for a West End theatre

#### WHAT IS THE DEAL?

The sale of the Theatre Royal Haymarket (TRH) to Access Entertainment (owned by Sir Leonard Blavatnik). TRH turnover in the year immediately prior to the sale was £4.5m. TRH is the first theatre to be owned by Access, which also owns Warner Music. The Louis Michaels family held the lease from the Crown Estate and had managed the theatre since the early 1970s. The current chairman was approaching retirement and there was no obvious succession plan, so they decided to pursue a sale.

#### WHAT WERE THE TIMESCALES?

In 2015, a TRH shareholder approached me, knowing I advise on media and entertainment transactions. We spent over a year on essential pre-sale tax and structuring issues before planning for the sale began in earnest in April 2017. We knew this was a trophy asset purchase and needed to get to as wide an audience as possible. We therefore wanted to be very public about the fact that it was for sale, rather than try to manage a sale discretely, which would be a much more common route for us.

We spent months researching potential buyers, pulling together a comprehensive data room and an information memorandum, devising a PR campaign and staff communications strategy. The sale process launched at



the end of January 2018 and had bids by the middle of March. There was significant interest from abroad, particularly from the US, but also from Europe and Asia. We needed a second round, and further due diligence and legal negotiations took about eight weeks. We completed the deal in June 2018.

#### WHAT WAS THE STRUCTURE OF THE DEAL?

It was a simple 100% sale of a holding company whose trading subsidiary held the lease for the theatre and ran

#### **THE CV**

Nicola Horton is a corporate finance principal at Moore Kingston Smith. She started her career in publishing in 1998, before joining Smith & Williamson's corporate finance team, where she became head of media. Treasurer of theatrical charity, The Actors' Children's Trust, she holds the ICAEW's Corporate Finance qualification.

#### **Recent deals**

- Sale of technology business Grand Visual to media agency Talon - May 2019
- Sale of B2B marketing agency DirectionGroup to Unlimited -
- Sale of healthcare comms agency Healthcircle Advertising to Fishawack - July 2018

the operations. Financial terms of the deal were not disclosed, but there was significant press speculation at the time. I am confident the price achieved set a new record for the sale of a West End theatre.

#### WHO WERE THE ADVISERS?

We were financial advisers to the TRH shareholders, Saffery Champness provided accounting and tax transaction support services and CMS provided legal advice. Franklin Rae advised on the launch PR and communications. Access has a large in-house M&A team that ran the deal from their side and did much of its own due diligence. Taylor Wessing was Access's legal adviser.

#### WHAT WERE THE CHALLENGES?

Probably the biggest challenge was gaining the trust of the various family shareholders, who had mixed feelings about the sale. They knew that there was no succession plan, but were very emotionally attached to the theatre. We had to find a buyer who would not only pay a premium price, but would also look after the theatre and preserve the family's legacy.

Another challenge was that a journalist broke our embargo and ran a story that the TRH was up for sale a day early. This had a huge impact on our staff and internal stakeholder communications. •



# Way ahead

# THE CORPORATE FINANCE FACULTY WOULD LIKE TO THANK ITS MANY MEMBER ORGANISATIONS FOR THEIR SUPPORT IN 2019 - AND INTO 2020

ABN AMRO Commercial Finance

Addleshaw Goddard

Alantra

3i

Albion Capital

Anthesis

**Arbuthnot Commercial Asset Based** 

Lending

August Equity BDB Pitmans

BDO

Beauhurst

Beechbrook Capital

**Beer Mergers** 

BGF

Brewin Dolphin

British Business Bank

Burges Salmon

Buzzacott

Cantor Fitzgerald

Cass Business School

Cavendish Corporate Finance

Clydesdale Bank

Connection Capital

Corbett Keeling

Crowe UK Deloitte

Dentons

Development Bank of Wales

Drooms

**Duff & Phelps** 

**ECI Partners** 

EY

Fieldfisher

FRP Advisory

Gibson Dunn Grant Thornton

Haysmacintyre

Headpoint Advisers

HMT

**ICON** Corporate Finance

Investec

James Cowper Kreston

JCRA KPMG

LDC

Lexington Corporate Finance

Linklaters

Mazars

Media Asset Capital

Menzies

MHA MacIntyre Hudson Mobeus Equity Partners

Moore Kingston Smith

NorthEdge Capital

OMERS Private Equity

Panoramic Growth Equity

Perscitus Advisers

PKF Francis Clark

Price Bailey

PwC

Quantuma

Ramboll

RSM

**Rutland Partners** 

**RVE** Corporate Finance

Saffery Champness

Samena Capital

Simmons & Simmons

Smith & Williamson

Spectrum Corporate Finance

Stonehage Fleming

Strand Hanson

**Taylor Wessing** 

Thinkat Capital

TLT

**Travers Smith** 

**UHY Hacker Young** 

**UK Government & Investment** 

WestBridge Capital

WK Corporate Finance

WSP

XPS Group

Yorkshire Bank



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