

BUSINESS SALE CASE STUDY: £1.8M FULL-SERVICE PRINT COMPANY

Colourgraphic Arts, a £1.8m full service print company in Bordon, Hampshire was founded by MD Vince Scardarella and has been established for over 40 years. The company provides a wide range of high-end print and design services including litho & digital print, wide format and general print finishing.

INTRO

Colourgraphic Arts had managed to maintain sales performance throughout the pandemic and navigated the challenges of COVID well.

After 40 years at the helm, Vince decided in 2022 it was a suitable time to exit the business with a retirement sale, and find an established buyer to continue to progress the business.

The Business Board

Vince approached the Business Board having received marketing content regarding M&A within the print sector. From the outset, he had a strong preference for the business to remain in situ and staff retained where possible. Initial exploratory conversations resulted in discussions on a strategic approach, method, valuation, and possible outcomes. Following this, Colourgraphic Arts made the decision to retain The Business Board with an initial 6-month marketing campaign aiming to lead to the identification of buyers.

The Marketing Process

Identifying a Buyer

Having generated a number of enquiries from businesses within the print sector, Print Evolved quickly established themselves as very credible buyers, with a culture and plans for the business that clearly aligned with Vince's aspirations for the sale. The £20m print & media group had significant print interests within their portfolio, coupled with a clear vision for how Colourgraphics would fit into their offering. Marketing continued until a written bid was accepted and exclusivity was reached with Print Evolved, and the deal progressed from there.

THE STATS



30+ Enquiries

The opportunity attracted huge levels of trade interest, with all of the interested parties coming from within the trade

4 Offers from the selected shortlist

After numerous meetings, a shortlist of suitable buyers were selected and 4 offers were submitted for consideration

16 Months

From initial engagement to completion



The Buying Process

Once the written bid had been accepted, the deal progressed to the exclusivity phase before moving on to due-diligence and finalisation of the deal.

As with all deals of this nature, there is much to finalise; working capital, surplus cash, leases, staff, company governance and associated documentation and management team; this takes time and experience. Whilst many business owners may have an exit strategy in place well in advance of their eventual exit, others are less prepared. It's always worth making sure you have your legal and financial support team in place, and that they are comfortable & experienced with acquisitions.

It's also crucially important to maintain your business momentum during the due diligence period. Not only will this strengthen your position, but should also generate more surplus cash to extract at completion. Thankfully Colourgraphic Arts were able to capitalise on some new business opportunities and grow sales throughout 2022 and mid-2023, meaning the deal progressed smoothly and all expectations continued to be met.

The sale was helped by a number of factors.

- Good marketing using accurate, up to date and concise collateral to create the buyer pool – utilised over email, websites and social media. Direct calls and emails to proven acquirers were made and followed up on.
- Print Evolved's extensive experience making acquisitions within the print sector.
- A positive financial performance from Colourgraphic Arts leading up to and during the sale.
- The prompt availability of documentation from Colourgraphic Arts required for Due Diligence.
- Strong support from brokers on both sides assisted by excellent professional services on the legal and financials.

CONTACT



INFO@THEBUSINESSBOARD.CO.UK



0118 338 1818



UNIT 4B PADDOCK ROAD, CAVERSHAM. READING,
BERKSHIRE. RG4 5BY



Scan here for further details on The Business Board or to schedule a free no-obligation consultation

ABOUT THE BUSINESS BOARD

The Business Board boasts a business sale success rate of over 80% for the last ten years, in the main due to the research, due diligence and relentless marketing.

Whether it is an immediate sale or something you are considering over the next 2 to 3 years, it is never too early to lay the foundations for your exit strategy.

A timed, planned and considered approach will maximise the value of your business.

Complete confidentiality and matching business synergies enables us to give you the options on where to take your business next.