

BUSINESS SALE CASE STUDY: £7M B2B MARKETING SPECIALIST

Lyonsdown Ltd, a £7m+ multimedia agency based in Central London was founded by MD Bradley Scheffer in 2006. The company has carved a successful niche through its own brands “Business Reporter” and “Teiss”, providing cutting edge digital communications via a number of channels.

INTRO

Lyonsdown had grown steadily over time, ridden out the pandemic and managed the challenges of COVID well.

Post 2020 the company had grown quickly, benefiting from changes made by management, Bradley decided in early 2022 that to grow the business, and to maximise its potential it needed to be incorporated into a larger group.



The Business Board

Bradley approached the Business Board after receiving marketing information. Initial exploratory meetings were held, and led onto discussions regarding approach, method, valuation, and outcomes. Following this, Lyonsdown 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

Fairly quickly it became apparent the Claverley group were a very formidable buyer. The £90m Midlands based group had significant media interests and had previously acquired businesses that dovetailed with Lyonsdown’s services. Marketing continued and discussions quickly advanced with the Claverley Group as the deal progressed; a written bid was accepted and exclusivity with The Claverley Group was reached.

THE STATS

48 Enquiries

The opportunity attracted huge levels of trade interest, with 95% of the 48 interested parties coming from trade

4 Offers from the selected shortlist

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

14 Months

From initial engagement to completion





The Buying Process

Once a written bid was accepted we then entered the phase of exclusivity and finalising a deal. Claverley were represented by BDO who proved to be excellent to deal with in all respects.

The situation was complicated by the fast-growing nature of the Lyonsdown business, and this led to constant dialogue between both sides.

As with all deals, there is a lot to finalise; working capital, leases, surplus cash, staff, company governance and associated documentation and management team. The Business Board set up a secure data room for an exchange of the Due Diligence paperwork. This takes time and experience. It's always worth making sure your legal and financial support team are comfortable and experienced with acquisition.

It's paramount to maintain your business momentum during the due diligence period. It will not only strengthen the seller's position, but also should generate more surplus cash to extract at completion. Thankfully Lyonsdown went from strength to strength between late 2022 and mid-2023, which always helps in concluding a sale and demonstrating the robustness of the seller.

A senior position was negotiated for Bradley to continue steering Lyonsdown on its upward trajectory once the deal was completed.

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.
- The enthusiasm of Bradley Schaeffer to stay in the business, with strong support from Claverley, and both sharing the vision of the exponential opportunity.
- A positive financial performance from Lyonsdown leading up to and during the sale.
- The prompt availability of documentation from Lyonsdown required for Due Diligence.
- Strong support from brokers on both sides assisted by excellent profession services on the legal and financials.

CONTACT



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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.