



“We attracted 79 buyer enquiries in the first three months.”

Group purchase faces risk head-on

Company Construction business

Time to sell Within 9 months

Offers 2

Sold Within 6.25% of asking price

Customer

A specialist waterproofing, roofing, joint sealing and building maintenance business that employed 20-25 staff and two project managers.

Background

The owner purchased this business some years back; he grew it from a small entity into a thriving enterprise. Looking to retire, he contacted LINK with a request to appraise the business. It became apparent that the business was a standout and would have wide appeal.

Brief

The client was keen to sell and enjoy a well-earned retirement. Due to the nature of the business - waterproofing buildings - it became apparent that this was a high-risk industry. LINK spent much time and effort working with the Vendor trying to understand how the risks were reduced and managed.

Our approach

Educating a potential purchaser would be the key to completing a comprehensive Information Memorandum and reaching a successful sale. Openly addressing all the risk factors would put prospective buyers at ease, as would outlining an after-sale handover period that was deemed mutually beneficial.

Solution

The key was to find a buyer who understood the industry and was prepared to invest in a business that came with significant risk. LINK felt that someone working in the building industry would be preferable. With a substantial return on investment, the content of our marketing emphasised EBITDA. We attracted 79 buyer enquiries in the first three months. Many withdrew after deciding that the risk was not for them. A core of strong buyers remained.

Result

A group of three were the eventual buyers. Their combined experience was a perfect fit for the business. Management of Due Diligence was carried out, and a sale price was agreed. Overall, an extremely satisfying outcome for all parties.



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