



“A café owner needed to raise funds, but was reluctant to part with the business he’d invested so much in.”

Fresh capital without losing control

HOSPITALITY
SPECIALIST BROKER

Company Hospitality Business

Time to sell 14 days

Sold 49% Share buy in

Customer

A significant hospitality business with more than 20 staff and annual sales of around \$2.5m.

Background

The owner, who had both financially and personally invested in this business, needed to raise funds but did not want to necessarily part with the business. His wife was also not in favour of selling but recognised the need to raise capital. They had two options: sell outright or find an investor to purchase part of the business.

Brief

The owner needed to raise funds for another project. Time was of the essence to get a suitable sale negotiated.

Our approach

The sale was to be conducted discreetly, was not to be promoted on the 'open market', and without reference to the name or location of the business. LINK took a two-tiered approach. They marketed the business as a 'Managed Hospitality Opportunity' and talked to their network of contacts whom they felt could be interested at this price level.

Solution

LINK ran a series of ads in the NZ Herald, promoted the opportunity via social media, and sent a targeted email to a few hundred of their contacts. All while maintaining complete confidentiality.

Result

Two potential buyers, within the first two months of listing, were identified. One party wanted to buy outright and take over all Intellectual Property. The other party considered both options; an outright purchase, or a share sale. Eventually, a 49% share sale was agreed to; essentially at full price. The buyer felt happy and confident that the original owner would remain in the business to ensure its continued success, and the seller not only raised the capital needed but still runs the business today!

