

Corporate Finance

Capitalising on an acquisition opportunity

Case study

Our case study involves the landmark private equity led **buy-in management buy-out of Primrose**, Europe's largest pure play online garden products retailer.



Darren Hodson, Partner at Smith Cooper Corporate Finance worked alongside a **management buy-in candidate** to identify the acquisition opportunity, raise acquisition finance, negotiate proceedings and **support throughout the process.**



The deal was financed by **Rockpool**, a leading UK private equity firm and **Oaknorth**, a specialist debt fund.



Get in touch

www.smithcooper.co.uk

Background

Our client, Mark Pearson, has worked in senior positions within the industry and developed a clear vision to disrupt the garden retail segment, taking advantage of the market shift to online purchases. Mark appointed Smith Cooper Corporate Finance (SCCF) to assist with identifying and unlocking potential acquisition targets and then to secure a deal from funders.

Identification of the target

As part of our targeting, we applied two key methods for identifying targets:

- Discreet research and targeting of specific businesses in the sector
- Utilisation of SCCF's unique brokerage network to issue an acquisition brief to over 4,000 M&A professionals across the UK

Through these methods we were able to unlock a number of off-market opportunities and review a number of targets in detail. The client ultimately selected Primrose as the preferred investment due to its market leading position and range of own brand products.

As part of developing a relationship with the vendor, our client was successfully installed as Chief Operating Officer to gain further insight into the company, refine business plans and to enable a management buy-out of Primrose.

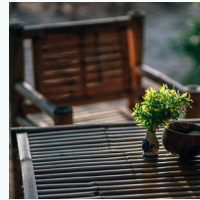
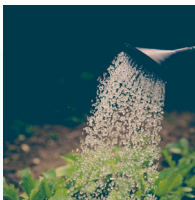
Fund raise and deal execution

SCCF has developed a private database of UK private equity firms and specialist debt firms that operate in the mid-market. Our role included:

- Raising equity and debt finance to support the acquisition through speaking to parties on our private database of investors
- Supporting management throughout the process
- Negotiating proceedings with vendors, private equity houses, the bank and Primrose management to achieve optimal deal value

The result

Having started the process with limited funds, our client successfully acquired Europe's largest pure play online garden products retailer through an off-market transaction utilising private equity and specialist debt funds.



GET IN TOUCH

Darren Hodson is a Partner in our award-winning Corporate Finance division. Equipped with over 20 years of experience, Darren advises clients on a range of Corporate Finance matters including raising finance, management buyouts, corporate disposals, strategic reviews and acquisitions, driving tangible results.

If you would like to get in touch with Darren, please see his contact details below:

E darren.hodson@smithcooper.co.uk

T 0121 237 6935