

## Entrepreneurs Hub helps the owners of Distec Ltd sell their business to Kamic Group AB and retire successfully

**Type of business:**

Technology solutions provider

**Location:**

Manchester, UK

**Sale value:**

Undisclosed



### Situation

Distec Ltd, founded in 1992, has built a strong reputation in the technology sector with extensive expertise in touch screen monitors, industrial PCs and HMI - the human-machine interface. It offers total solutions, including support, to customers in many different sectors in the local British market and represents a number of world-leading manufacturers such as ELO, Nexcom, CKS, Wincomm, Siemens and others. It's a highly-regarded supplier in its product niche.

Company founders Noel Sheppard and Adrian Swindells contacted Entrepreneurs Hub because they needed support with selling their business so they could retire. Having previously consulted three other corporate finance companies, they decided to work with Entrepreneurs Hub not just because of their wider commercial experience and credibility within the acquisitions market - but because they felt more comfortable with their hands-on, personalised approach.

### Requirements

- **Help to locate a suitable buyer** for all the shares in their successful business - a specialist hybrid technology solutions provider offering a range of specialised hardware and software solutions
- **Expert guidance** on preparing their business for sale (an area they had no experience in) so they could achieve optimum value and enjoy the retirement they've worked so hard towards
- **Tailored assistance** with every stage of their business sale journey from accurate valuation, to targeted marketing to prospective buyers, due diligence, smart negotiation, and ultimately - successful exit
- **Peace of mind** that their business would continue to be run in a way that respected the culture and values they'd built and took care of the needs of their loyal staff, customers and other stakeholders

### Solutions

Entrepreneurs Hub Directors assisted Distec Ltd as follows:

- **Conducted pre-sale diagnostics** and a full business review to carefully evaluate the pre-sale status of Distec Ltd and understand both the future aspirations of the owners and the objectives of the business, its key stakeholders and staff
- **Identified opportunities and vulnerabilities** within the company, considering the business model and structure, strategy and financials, sales and marketing, personnel, shareholder objectives, intellectual property, compliance, and contracts
- **Troubleshoot issues** that could turn into sales barriers, creating solutions to improve and enhance the value of the business and its saleability
- **Provided a due diligence checklist**, guiding the process e.g. reviewing key documents for quality and suitability, establishing a secure archive of key company information
- **Developed a buyer profile** in line with the seller's objectives and used specialist networks and an extensive database of quality acquirers to shortlist prospective buyers in the UK and internationally
- **Created marketing collateral** to be used when meeting those potential buyers e.g. teaser letters, information memorandum, presentation slides, and future business plans to show the acquirer the scope for business growth
- **Approached prospects** in confidence to establish interest (under NDA)
- **Analysed and qualified interested parties** in line with sale objectives
- **Attended and facilitated all acquirer meetings** to support the client
- **Handled all acquisition negotiations** and procured offers
- **Presented the final offer** from Kamic Group AB to Distec Ltd for their approval and final decision

## The Team

It took 12 months to find a buyer that Distec Ltd was happy to sell to, Kamic Group AB, and 3 months to fully complete the deal. An experienced and approachable team of corporate finance experts at Entrepreneurs Hub supported them throughout the entire process, including:

### Malcolm Murray, Director and Co-founder

Malcolm is an established corporate finance consultant, entrepreneur and accomplished motivational speaker who has had direct involvement in supporting the sale of 45 businesses. He leads regular seminars such as 'Preparing and Selling a Business the Right Way: Vital Steps in Building Value'. He has consulted with over 1,000 business owners considering selling companies of all sizes.

- 30 years' experience in business growth roles in the Mergers & Acquisitions (M&A), Business Consultancy, Manufacturing, Engineering, Information Services, Automotive, Retail and Construction sectors
- Former Senior Manager and Group Board Director of a leading international M&A business
- A founding member of a successful company with James Caan (ex-Dragons' Den), CEO of Hamilton Bradshaw Private Equity (HBPE)
- Co-founder of FI, an Information Service for the Engineering and Manufacturing sectors, which he grew from 4 to 165 people, operating in the UK, the USA and Germany (part-sold for \$10.8m)
- Active community volunteer and trainer for Basingstoke Street Pastors

### Andrew Shepperd, Director and Co-founder

Andrew is a successful entrepreneur, mentor, lecturer and specialist in both buy and sell-side transactions, including IP-focused sales. He oversees the Entrepreneurs Hub deal-making team and has first-hand knowledge of selling and acquiring businesses, including post-acquisition integration. Andrew has over three decades' commercial leadership experience.

- Former MD of Avaya and Azlan and main board member of TechData UK
- Lecturer on M&A and Investment and Advisory Board Member of the Imperial College London Global MBA and Entrepreneurship MSc programme
- Mentor to MassChallenge, Microsoft Ventures Accelerator and the Swiss Embassy in London
- Has coached over 100 organisational leaders on communication strategy, turnaround, profit & revenue growth, and business operations, including not-for-profit organisations such as Buckinghamshire County Council and UK National Police College
- Leader of 5 organisational turnarounds for Nasdaq and NYSE quoted companies

## Results

- **Located a compatible buyer** - research by Entrepreneurs Hub indicated that a strong European group with an excellent reputation for providing diverse technology solutions would be the best fit for the sale of Distec Ltd
- **A successful sale** - Entrepreneurs Hub helped to negotiate and secure a deal between Distec Ltd and Kamic Group AB, a corporate trade and manufacturing group operating across Northern Europe, Asia and the USA.
- **A rewarding retirement** - under the careful guidance of Entrepreneurs Hub, Distec Ltd's company founders, Noel Sheppard and Adrian Swindells, have been able to realise their lifestyle aspirations in retirement following the sale of their business for optimum value - with much less stress than if they'd tried to navigate this demanding process on their own
- **New opportunities for the acquirer** - Kamic Group AB is already established with a few technology companies in the UK, so Distec fits nicely into their offering and allows them to offer organisational support, contacts and expertise for continued development and expansion
- **Customer satisfaction** - clientele old and new will benefit from the combined powerful technology solutions on offer as a result of this acquisition
- **Improved employee experience** - Distec Ltd is now part of a larger group, providing the support and opportunities which strengthen conditions for continued positive development of staff

### Noel Sheppard, Founder of Distec Ltd:

"We entered this process with no prior experience so the support we got from Entrepreneurs Hub was invaluable. Exiting your business can be a tough road so we needed their knowledgeable advisors alongside us to overcome challenges, knock backs, and get through prolonged negotiations and uncertain circumstances to get the deal over the line.

"Our advice to another business owner selling a company would be to find an advisor you trust, with business experience - not just a broker. Entrepreneurs Hub had our company's best interests at heart throughout the whole process of selling our business for optimum value - and preparing it for that sale. They really understood our company and our future goals.

"With their vast network of contacts, we found an overseas buyer that we never would have known about otherwise - one we felt proud to sell our business to. We've been rewarded, our business and staff are secure and we are on our countdown to retirement now. Very happy!"



Let's talk about how we can help you get 'exit-ready' and sell your business for maximum value. Make a confidential, no obligation call to one of our directors on **0845 067 8678** or email [info@entrepreneurshub.co.uk](mailto:info@entrepreneurshub.co.uk)

[www.entrepreneurshub.co.uk](http://www.entrepreneurshub.co.uk)