

## **Cleaning products manufacturer acquisition by European conglomerate**

### **Mandate**

In the fall of 2010, Beacon was approached by a well established chemical manufacturing business located in Toronto. The business had been grown by the owner, a professional chemist, and his family for over thirty years. The operations had exhibited historically good profit margins and developed a roster of recurring wholesale clients, though still in large part depended on the owner. Upon completion of the valuation process Beacon worked with the business owner to confidentially market the business opportunity and short list potential strategic buyers who would benefit from acquiring the company's proprietary product pipeline and client relationships.

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### **Implementation**

Beacon was able to successfully identify and short-list a number of players in the industry with an interest in expanding through acquisitions. In the process Beacon worked closely with the owner and his advisers on preparing the business for sale and developing a transition plan. Beacon provided assistance and input on major decisions concerning handling potential employee issues, lease and contract extensions and negotiations, as well as preemptively addressing business sale tax issues. When the match was made with the right buyer, final negotiations and moving to closing was almost a formality.

### **Outcome**

As a result of Beacon's involvement, the company was acquired by a multi-national chemical conglomerate interested in expanding its presence in the Ontario market. In addition to the sales proceeds at closing Beacon negotiated for the seller a consulting engagement with the buyer thus assuring continued success of the business and recurring revenue to the owner with much reduced responsibilities.

VALUATE. NEGOTIATE. CLOSE.