

HVAC Company's successful acquisition of Electrical Contracting Firm

Mandate

In the middle of 2011, Beacon was approached by a successful electrical contracting firm operating in the Greater Toronto Area. Throughout its twenty years of operation the owner of the business had been able to establish a solid base of commercial clients. As his children were not interested in taking on the business, he began exploring other exit planning options. The owner wanted to find out what the value of his business was and source a potential buyer. Beacon generated a valuation for the company as well as successfully highlighted the type of Buyer who could benefit from this acquisition.

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Implementation

After considerable buy-side interest, Beacon highlighted the ideal buyer as someone already well established in the electrical industry, or someone able to effectively integrate our new client into their existing operations. Beacon successfully highlighted an existing profitable HVAC business that was exploring external growth opportunities and looking to expand its operations. Upon learning the details of our client, the HVAC company recognized the possibilities that existed from acquiring another successful business with a similar client base and similar reputation.

Outcome

The team at Beacon provided our services and support at every step of the way as we facilitated a sale that mutually benefited both parties. Because of the level of expertise exhibited by the existing owner, both parties reached an agreement where the seller agreed to stay on in a consulting role after the completion of the sale to ensure a seamless transition. As the seller pursues other interests the HVAC company continues to grow and prosper in the months following the acquisition as they continue to benefit from the increased economies of scale, their cross-marketing ability, as well as an expanding client base.

VALUATE. NEGOTIATE. CLOSE.