

## **Background and Problem**

The owner sells model motor cars into the adult market from a well placed shop in a retail area. Over a 10 year period he had grown the business to about £300k turnover, with a Warehouse on a nearby business estate. We were referred by Nat West because the owner felt that he was at a bit of a cross roads and needed to consider his options.

We visited the owner at his warehouse and discussed the business with the owner. It became very clear that he is very knowledgeable about his market. He knows what will increase in value over time as the collector market hits in. It turned out that he was seeking to buy one of his suppliers, 10 times his size.

Whilst we could see that he had ability, he had no real cash and was concerned about his managerial capability towards this big step.

## **Actions Taken**

Prepared a two page brief for NatWest. This was referred in to the commercial team. We felt that there was an opportunity here, but tempered it with some caution about the owner's managerial capability.

Co-ordinated a meeting of Nat West and the owner. Made sure that it would be in a decent business environment. Also spent some time with the owner helping him to structure the meeting and identifying some of the larger pitfalls he could slip into.

Held a very constructive meeting. The owner performed well; and NatWest "added value" through the suggestions they made. Very supportive environment. Ended up making an outline offer of more than we had envisaged – partly because the owner came over very well and "covered" the management concerns we had highlighted to him.

## **The Result**

The owner met up with the vendor that afternoon to make an outline offer. Unfortunately in the mean time another offer had been made which was higher than the owner could go.

However, advised the owner that these things can slip through and that we would keep in touch.

**If you want to find out more about any of the areas covered in this case study and how we can support your business – contact us today.**