

Automotive Industry

Case Study

Mandate

Beacon was engaged by an authorized and exclusive dealer of BMW motorcycles. The business had exclusive rights in London, Southwest Ontario and Oakville regions. The owners, at the time, had run the business for 20 years and were seeking an exit due to retirement. Due to Beacon's strong presence in South-West Ontario, Beacon was chosen as the exclusive broker and provided sell-side transaction advisory services through the entire sale process.

Implementation

Beacon began by compiling a fairness opinion to determine the business' true fair market value and proceeded to compile deliverables and confidentially market the mandate to potential buyers. The business had large levels of inventory and short lease expiration. Beacon was careful in accounting for these factors in our valuation to ensure that we attract bids while meeting our client's expectations. Through our large network of buyers and industry professionals, we were able to attract several buyers for the business. Based on the seller's criteria and vision, as well as our financial acumen, we were able to pre-screen buyers and solicit offers from serious buyers.

Outcome

Beacon's team assisted our client through every step of the sale process, and successfully completed the transaction. Beacon effectively negotiated a deal with a private buyer who had previous experience in the auto industry. Our team advised the seller through the buyer due diligence process, ensuring transparency between both parties. Beacon negotiated a cash deal with no vendor take back allowing the seller to completely exit the business. In addition, Beacon made sure that the business was prepared for the successor to maintain smooth operations through the transition period without damaging value.