

Healthcare & Life Sciences Industry

Case Study

Mandate

Beacon was engaged by a manufacturer and licensed distributor of specialized electro-medical equipment with a 30 year history. The business was ISO certified and had product licenses in addition to a network of licensed sub-contractors which allowed the business to compete in Canada, China and the U.S. market. The owners of the business were seeking an exit due to retirement. Due to Beacon's strong outreach across North America and experience in the healthcare and life sciences industry, 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. As a manufacturer of medical and healthcare equipment the business was heavily regulated and an FDA product license, Health Canada device and establishment license and an ISO certification which was mandatory. In addition, the business had a registered Delaware Corporation, which was required to import products to the United States. Given the complex nature of the deal, attention to detail and careful execution was of utmost detail. 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 an asset sale with a private buyer. The sale included all of the business' operating assets, inventory and goodwill. The deal was structured with a majority payment at close and a balance amount payable in monthly installments at 5% over a three year term. Our team was actively involved through the due diligence process, ensuring transparency between both parties. In addition, Beacon assisted with succession planning to help maintain smooth operations through the transition period without damaging the value of the business.