

Media & Telecommunications Industry

Case Study

Mandate

Beacon was engaged by a leading 360 media company serving fortune 500 companies and consumers with best in class print and digital media publications. The business had over a decade of experience serving clients in the food-service, oil & gas, consumer discretionary and business services industry. The business' clientele included brand names like PepsiCo, Coca-Cola, Nestle, Imperial Brands, Kellogg's, Kraft, High Liner Foods and more. As part of a strategic plan, the company management had decided to divest a portion of their B2B business. Due to Beacon's strong outreach in North America and experience in the media & telecommunications 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. Through a network of media companies the business had penetrated the Canadian market and become an integral of its clients supply chain. Through its highly integrated approach, the business had been able to leverage its position to give it high pricing power. The business was effectively positioned to expand into international markets and diversify into other industries. Beacon realized the business' growth potential and worked closely with our clients to find a strategic buyer who could exploit these synergies. 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 all cash deal with Stagnito Business Information. Stagnito provides market intelligence and strategic communications resources to the retail industry. Our client's existing network with fortune 500 consumer brands, made it a great strategic fit for a communications resource business like Stagnito. The deal involved a cash payment at close, equal to a blended 4.25x TTM EBITDA multiple financed through debt and equity. Our team was actively involved through the due diligence process, ensuring transparency between both parties. Beacon was successfully able to advise our clients through closing formalities and transfer of assets to successfully close the deal.