

Professional Services Industry

Case Study

Mandate

Beacon was engaged by a management consulting firm which specialized in providing information systems development solutions and business process consulting services to the public sector. The business had contracts with various Canadian government organizations. The business also had experience working with Qatar authorities and was well positioned to secure international government contracts. The owners of the business at the time wanted to exit the business and work as independent freelance consultants. Due to Beacon's strong presence across Canada and experience working with related consulting businesses, 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 information and communication infrastructure with high-volume capabilities. Due to years of experience working with the government, the business had developed a streamlined project management system with state-of-the-art business intelligence tools. The business also had an Ontario Security Clearance and was in the process of obtaining a Canadian Controlled Goods Security Clearance. As a business with existing client relationships with the government, and a highly sophisticated online operations platform, this business was a great target for acquisition. 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 share transaction with a private buyer. The deal was structured as an all cash transaction with no vendor take back allowing our client to completely exit the business. Through active involvement in the due diligence process and proactive communication with the buyer, we were able to close the deal within the stipulated period of time. A one month training and transition period was negotiated. In addition, Beacon made sure that the business was prepared for the successor to maintain smooth operations through the transition period without damaging value.