



Everything in Place and Ready

Lyons Solutions and Sanders Industries Foster Acquisition Success

It looked like a superb fit for Bill Quish's buyer. In 2004 Ultracast Corporation was a successful company that provided fast-turn, low-volume production and prototyping services for a wide range of customers across the United States. After some initial inquiries and discussion however, Maynard Stowe, Ultracast's owner, was not ready to sell the company. At least, not yet.

PACKAGING A SUCCESSFUL COMPANY

"I stayed in touch with Mr. Stowe and two years later, he was ready to discuss selling Ultracast," said Quish, senior managing director at Lyons Solutions.

As an experienced business acquisition and merger advisory firm for mid-market companies, Lyons Solutions was a good choice for taking Ultracast to market. Quish's team prepared the memorandum and packaged the company for sale, initially contacting a number of strategic buyers, industry buyers, and private equity firms—all of which had relationships with companies whose operations would have been enhanced by acquiring Ultracast.

"We received indications of interest from several interested parties and had further discussions with two qualified buyers," said Quish. "Neither offer met Mr. Stowe's requirements. Meanwhile however, I had met Sanders Industries through a mutual industry acquaintance and was very impressed. As Sanders Industries described their company and goals, they were very professional and direct, which I appreciated. We decided to pursue negotiations with Sanders Industries."

FACILITATING A PROFESSIONAL PURCHASE

Quish notes that the entire transaction process was extremely well organized and efficient. The Sanders Industries team immediately turned the negotiations over to its own investment banker who worked directly with Quish to create a smooth path for the transaction and to help ensure a strong, positive relationship between seller and buyer for the post-purchase transition.

A critical part of any acquisition is financing, and in many deals, financing contingencies can delay closing or even completely derail a purchase. Sanders already had financing in place to complete the transaction—removing any last-minute hurdles and accelerating the closing.

"What impressed me the most was that Sanders Industries did what they said they were going to do," said Quish. "They had a process and they completed it in a highly organized, efficient, and professional manner. As a result, the financial review and due diligence processes went smoothly and we completed the transaction more quickly than most acquisitions are completed."

From Quish's perspective, a professional buyer and organized process benefits everyone involved in the acquisition. Sanders' efficiency minimized distractions for Mr. Stowe and his employees, enabling them to continue focusing on daily operations. It also kept the transaction on track, eliminating potential roadblocks and opportunities for competing buyers to try and spoil the deal. In just weeks, the acquisition was completed and the path forward was clear for everyone.

CREATING INDUSTRY ALLIES

Today Ultracast is a Sanders Industries company, carrying on its heritage of specialized production and prototyping services. Mr. Stowe is happily reducing his daily involvement in the company, and Quish would like to find more buyers like Sanders Industries.

"I'd like to find more companies to present to Sanders Industries because they are so professional to work with," he said. "Either that or I'd like to represent them. They are consummate professionals and a pleasure to work with."