

CTS

BUY MANDATE

WTA Team:
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The client

Founded in 2006, CTS is the legal sector's foremost provider of cloud and IT services in the UK and Republic of Ireland and is owned by Tenzing, a leading mid-market private equity firm and management.

CTS delivers IT services that transform the user experience and operational success of law firms and barristers' chambers, both day-to-day and in the longer term.


CLOUD SERVICES
Managed IT services

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ACQUIRES

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CLOUD SERVICES
Managed IT services

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ACQUIRES

 **cbs** city business solutions

Client objectives

CTS were seeking to acquire successful businesses which served the legal sector and were particularly interested in those with a customer base of mid to large solicitor firms. At the time of appointment they were keen to make their first acquisition as soon as possible.

Overview

CTS (www.cts.co.uk), a managed service provider focussed entirely on the legal sector appointed WTA in June 2020 to help with making acquisitions in the UK. It was our firm's first new mandate win since the outbreak of Covid in March and followed an introduction from CTS's chairman to the company's CEO.

CTS were aiming to build on their successful organic growth strategy with a select number of acquisitions, designed to increase their market share and expand their service set to deliver a unique, highly valuable offering to the sector

This engagement led to CTS acquiring City Business Solutions, a London based managed service provider to barristers' chambers later followed by a second, Tiger Eye, a partner to iManage - a key application used by the world's largest firms, including 78% of the UK's Top 200 law firms.

Outcome

WTA helped CTS meet their objectives by bringing about two acquisitions and achieving the first in five months.

We were able to hit the ground running because we are very knowledgeable of the MSP market and already had experience working in the legal sub-sector. We set out to provide CTS with as much choice of possible suitable acquisition targets so, as a first step, we decided to map the sector. Over fifty MSPs claimed to serve lawyers and we attempted to make contact with the CEO, chairman or owner of all to qualify further and succeeded in doing so with all except two, achieving a 96% success rate.

We then recontacted those companies of interest to our client and obtained further information and reported on these which, in some cases, led to introductory meetings between some target companies and our client CEO. Of those judged to be possible acquisitions, we sent out an information request and then arranged a second meeting between the principals. Our client CEO and, sometimes other directors, attended these along with an Investment director at Tenzing. The latter joined partly to understand the opportunity better and partly to let the target company know that Tenzing were fully supportive of the transaction. Once offers were delivered we remained fully engaged with the vendor throughout to ensure they were comfortable throughout the process.

The second acquisition came about after the client brief was expanded and we followed a similar process right through to completion. In both cases, the client, Tenzing and WTA worked closely together throughout.

The client perspective

“Our working relationship with WTA has developed into a strong partnership, with an expanded brief, and they continue to be a most effective M&A advisor with deep market knowledge of both the MSP and Legal Tech sectors. Here they have used this knowledge to identify, approach and support us in agreeing the offer. This important acquisition expands our product portfolio and helps to deliver CTS’s vision of becoming the go-to digital transformation partner for law firms.”

And again on after the CBS acquisition he stated “WTA have truly delivered as our research partners and advisors. We were very impressed by their deep market knowledge, their diligence and their structured approach to the project. I have no hesitation in recommending WTA, and we look forward to continuing to work with them in the future.”

Nigel Wright – CEO, CTS

