

CIVICA

BUY MANDATE

WTA Team:
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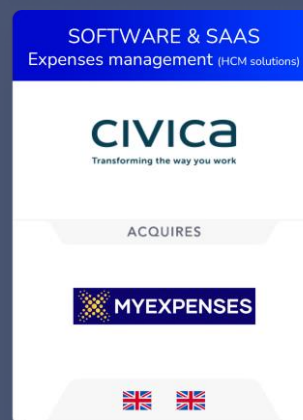
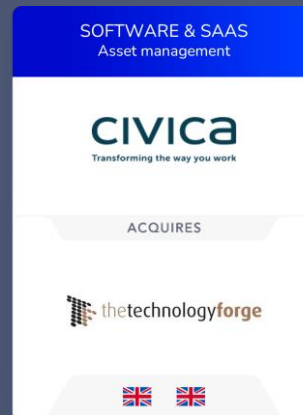


The client

Civica ([Civica](#)) is a global leader in public sector software provision delivering its own specialist cloud software solutions across government, health and education.

With operations focused on the UK, Australia, North America and Asia, as well as a development centre in India, the business employs nearly 6,000 staff, with revenues of approximately £500m.

Civica has a strong track record of strategic M&A adding both market reach and capabilities across the group over the years. Civica appointed WTA Partners as their M&A advisors in 2018 to help to facilitate further strategic acquisitions across their portfolio of operations, initially targeted within the UK market.



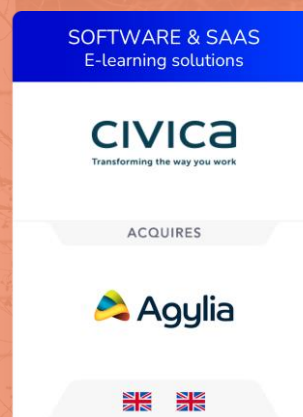
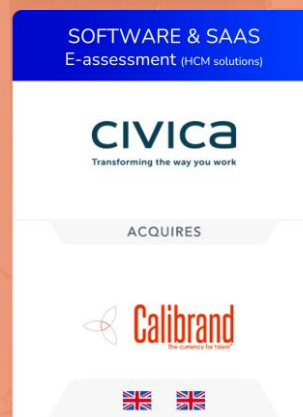
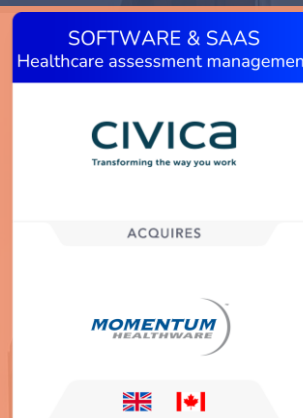
Client objectives

Over the past decade, there has been an escalating amount of corporate activity in the UK enterprise software market, targeting quality software assets, across all the core public sector sectors in which Civica operates. This has typically been driven by the larger corporate consolidators, whether publicly listed or PE owned, and all seeking to fuel strategic growth through acquisitions alongside traditional organic development.

With its established track record of successful deal-making, Civica was keen to ramp-up its M&A reach by building an advanced pipeline of strategic targets and seek to enhance its acquisition approach by accelerating its origination activities across the core strategic markets.

In working with WTA as a strategic advisory partner, several objectives were set out and agreed at the outset:

- ❖ The initial remit was to be focused on UK headquartered businesses growing and trading profitably
- ❖ The businesses should also be software IP owning assets, with a strong preference for SaaS, and have solid recurring revenues



- ❖ The broad public sector was the targeted areas of interest including local & central government, health & care, education, transport & logistics and democracy solutions. Additionally, areas which were also horizontal across multiple markets segments, such as workforce management systems, were also considered if delivery within the public sector was a significant element to the solution
- ❖ As a preference, potential targets were likely to be owner managed private businesses whose growth would benefit from being part of a larger group
- ❖ The aim was to seek gap-filling strategic offerings which had a presence in a specific market segment, within which Civica did not already operate or would be enhanced with a further value added solution

The overall target was to seek to achieve multiple successful transactions per year and continue to grow the pipeline with strategic software assets and opportunities over the coming years.

Outcome

Over the course of the engagement, WTA reached out to the market and engaged with hundreds of companies, at CEO and Chairman level, operating within the core Civica market sectors.

One of WTA's market specialisms is in enterprise software solutions with a deep domain experience across the public sector market. As such, we were able to hit the ground running, with an understanding of the market, the operational solutions within each segment and a clear understanding of the potential opportunity for Civica.

Our origination approach hinged upon highly targeted introductions to individual companies after extensive desk research, articulating the value proposition and the strategic opportunity for both parties, which culminated in ten transactions being completed over the period of the mandate including:

- ❖ Software solutions within vertical operational sectors including local and central government, health & social care, education & housing
- ❖ An adjacent market was also enabled for delivering democracy led solutions

SOFTWARE & SAAS
Catering supply chain

CIVICA
Transforming the way you work

ACQUIRES

fdh
fretwell-downing
hospitality



 

SOFTWARE & SAAS
Occupational health

CIVICA
Transforming the way you work

ACQUIRES

WARWICK INTERNATIONAL



 

SOFTWARE & SAAS
Democracy solutions

CIVICA
Transforming the way you work

ACQUIRES

ERS GROUP.



 

SOFTWARE & SAAS
Recruitment platform (HCM solutions)

CIVICA
Transforming the way you work

ACQUIRES

trac.systems



 

SOFTWARE & SAAS
Case management solutions

CIVICA
Transforming the way you work

ACQUIRES

iCasework

- ❖ Solutions that covered multiple market sectors and so by nature were more horizontal, including systems within Human Capital Management (HCM)
- ❖ Systems which provided a deeper technology capability that would enhance existing offerings within Civica

We were also encouraged to assess initial opportunities in the North American market. As such, we enabled the successful acquisition of a healthcare software provider based in Canada and which helped Civica to establish a more strategic presence in the region.

We acted as ambassadors for Civica and as a virtual extension of the Group Corporate Development team, working in partnership with the executive management and business unit directors in dialogues with potential target acquisitions across the various market sectors.

With our knowledge and experience, we helped to assess and qualify strategic fit along with guidance from comparable activities within the technology market.

The client perspective

“The partnership with WTA has been extremely successful for Civica, enabling hundreds of purposeful dialogues across our markets and resulting in ten completed transactions that have enhanced the group’s strategic and financial position in the UK. It has also led to the creation of ‘Civica Canada’.

The WTA team’s hands-on M&A experience brings a very focused approach to target identification and initial contact. Right from the beginning of our engagement, they were quickly able to understand what we were looking for. They subsequently applied this in their initial screening meetings with targets, such that follow-up meetings between Civica and targets were always very worthwhile, both in terms of likely fit and a likely deal. They brought a highly credible presence to interactions with targets on our behalf, very important for advisors representing us in the market.

Working day-to-day with WTA was a very efficient process. They were always well prepared with information on likely targets, which made it easy to agree an action plan and to monitor progress. They sustained this approach consistently over the years we have worked with them and they have been a key part of our M&A efforts.”

Robert Stroud - Group corporate development director, Civica

