

GRAFFICA

SALE MANDATE

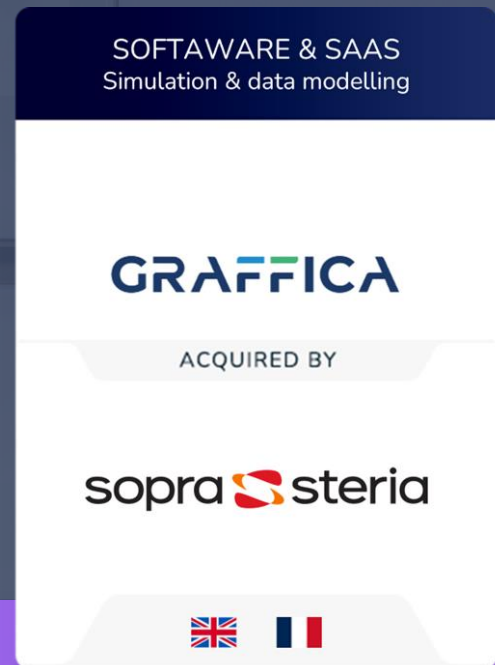
WTA Team:
Alan Butterworth



The client

Graffica is a business delivering simulation solutions through a staff of 30, who are highly specialised in researching, prototyping and validating future systems and concepts, in complex operational environments. Subsequently, these solutions would then be enabled into live operational running.

Graffica appointed WTA Partners as exclusive M&A advisors to facilitate the sale of the business. The shareholders were two equal co-founders, Mike Ballone and Mike Vere.



Client objectives

Increasingly, there is a growing market requirement to bring real world operational improvements and efficiencies within complex business environments, leveraging data and modelling techniques to validate future system processes.

Graffica has been delivering these types of solutions for over twenty years, through a range of consulting services and software as well as possessing deep domain expertise, particularly in the air and rail sectors.

In looking for the right partner for the business, several factors had to be considered:

- ❖ The business was seeking a strategic partner who understood the value proposition and the IP that the business inherently possessed and how to leverage the skills and market position to grow into the future.
- ❖ Many of the employees had been with the business for a long time and had deep domain expertise and experience. The founders wanted to ensure they had a platform for future growth and opportunities within a wider organisation.
- ❖ The business had some operational complexities which required a solution to be established prior to finalising a business sale.
- ❖ The business was seeking a buyer with a similar cultural fit with experience of working within engineering led clients.
- ❖ It was recognised that the current business was not a sales and marketing led organisation, winning business through partnerships and client referrals. As such, to really take the business to the next level of growth, it was seeking a partner who could provide an enhanced marketing approach both within the local UK market as well as Internationally.

The owner-managers had limited time available for prospective buyer dialogues, so it was important to fully prequalify possible suitors and ensure they were able to meet and respect the vendor's key objectives.

Overview

Graffica Limited (www.graffica.co.uk), a specialist provider of simulation products, software systems and services for the rail and air sector, appointed WTA as their exclusive sale-side advisor in July 2021.

The business was strategically acquired by Sopra Steria Sopra Steria UK in August 2022, the UK division of the leading European, consulting, digital services and software development firm, headquartered in Paris.

Outcome

All stated objectives of the vendors were met.

In creating the go-to-market approach, we minimised the time and effort required from the business by taking all existing materials, including product, commercial and financial information to craft the strategic documentation to best position the business to prospective purchasers.

We also worked closely with the shareholders to help to guide and facilitate any operational hurdles that required resolution prior to a sale being finalised.

We were highly targeted in our approach to prospective buyers and organised qualified briefing sessions with those strategic partners whom we all believed offered the best cultural fit and would be able to meet the shareholders' goals. As well as those who were most likely to follow through to completion in a timely manner.

The acquirer perspective

"The Graffica team have built a huge expanse of expertise in simulation products and systems that are critical to the future of the transport industry in the UK. We're delighted to welcome their 30 employees to the Sopra Steria UK family. We look forward to working in collaboration with them to pursue the huge growth opportunity the digitalisation of transport provides while also continuing to support the innovative ambitions of our clients.

"Graffica is a great brand which has seen huge success in its 20 years in the market and will retain its identity whilst being provided with the full support and backing of Sopra Steria in order to help it reach its growth potential."

Adrian Fieldhouse - Managing Director Government and Transport, Sopra Steria UK

"The acquisition of Graffica marks a significant milestone in our commitment to delivering the best-in-class solutions to the UK transport network. Together, we bring to market the knowledge, expertise and advance technology that will transform the way future transport networks are designed and delivered. A safer, more efficient, and customer-friendly transport system. We know it works because our data-led simulation has already stress tested it before it comes to life."

John Neilson – CEO, Sopra Steria UK

The client perspective

“When we made the decision to find a buyer for Graffica, it was important for us to select the right advisors. WTA Partners’ specific knowledge and understanding of our industry was clear and their approach to the process gave us confidence that we’d find the best strategic home for the business.

Our business is quite complex, and we wanted to clearly get across our value proposition, and the key skills and experience within the company, to prospective buyers. WTA helped us articulate our business in an effective way, managed the prospective buyer communications and re-enforced the potential opportunity for growth going forward.

Working with WTA, they guided us with their experience and helped us through the intricacies of the project at each stage. We had a few specific operational complexities to address as part of getting the business ready for sale and WTA helped us formulate the approach to resolve and communicate them enabling a successful completion.

They also worked closely with the Sopra Steria team to ensure that right strategic dialogues were being discussed and agreed acting as the conduit between the two companies.”

Mike Ballone – Co-founder and director, Graffica

