

Case Study: ARL

PARTNERING FOR GROWTH

- In late 2015 Banksia invested in Perth based specialist lab, Analytical Reference Laboratory (WA) Pty Ltd (“ARL”).
- ARL is a West Australian specialist environmental laboratory and analytical service provider, employing 35 staff with a 25 year history.

I wanted to be freed from the day to day, to enable the business to grow and realise a good value for my stake. Banksia enabled all of that in a smooth and seamless transaction. I'd recommend them to any business owner/manager.

Elizabeth Williams
MD & Owner

The Situation

- The business had grown from a small laboratory in East Perth to a world class facility in Welshpool WA
- The business services some of WA's premier industrial, environmental and mining clientele
- After 25 years, the family and owner MD were ready to step back and hand over the reins
- With vendor concerns about a 100% trade sale, Banksia provided a strong alternative, 'ticking the boxes' on valuation, staff retention and business/reputational continuity

The Transaction

- Banksia sourced a CEO to work alongside existing management so that the owner MD could move to a non-executive role
- Banksia provided funds to support growth, provide a partial realisation for the owner and to fund acquisitions
- Existing senior management have invested to become part owners

The Progress So Far

- Banksia have helped develop a 3-year growth plan focussed around 4 key initiatives
- A management incentive plan has been developed and implemented
- A screening method and pipeline of acquisitions has been developed

Executive Summary

CUSTOMER NAME

ARL

INDUSTRY

Specialist Laboratory

BUSINESS CHALLENGE

- Succession
- Growth Funding
- Grow business development to capture market growth

BUSINESS INPUT SOLUTION

- Sourced CEO
- Provided value-added funding

BUSINESS VALUE

- CEO with strong BD background, sourced at no cost to ARL
- Focused and incented management around 4 key KPI's
- Developing acquisition pipeline
- Owner partial sale at good value

Banksia were pragmatic, straight forward and highly professional in addressing the multiple issues that can arise in any transaction. In 20 years of M&A this was one of the smoothest ever transactions and credit to them. I look forward to bringing other clients to work with them.

Lui Pangiarella
Vendor Sale Advisor