



CASE STUDY: PROJECT START

STS EXCEEDED CLIENT EXPECTATIONS AND DELIVERED A FAIRYTALE RESULT

STS successfully closed a compelling deal, securing a 9.25x EBITDA valuation for their business services client. The Company's shareholders were guided to a successful exit while also negotiating favorable terms for the selling management team and employees, ensuring continued alignment and mutual success.

9.25x
EBITDA

ABOUT THE CLIENT

The client was a highly profitable and rapidly growing, full-service small business entity formation and business services company in the U.S., operating through two consumer-facing brands. They formed over 50,000 entities per year, with its core competitive differentiator stemming from its unique high-touch call-center-driven sales model.

STS APPROACH

STS took the time to fully understand the inner workings of the business and crafted marketing materials that effectively distilled the key strategic advantages of the business model and the compelling nature of the opportunity. After reaching out to over 200 potential strategic and financial acquirers, STS arranged a soft auction, yielding LOIs from 10+ groups, including various PE-backed strategic roll-ups as well as pure strategics. STS navigated multiple competing timelines until timing ultimately aligned with the optimal suitor, closing the transaction with a core strategic leader in the sector.

THE END RESULT

The acquisition positioned the Company to drive meaningful synergies across its network on top of its digital acquisition funnel, as well as further engage and monetize its customer base, driving higher customer lifetime value. The acquisition added a material amount to the buyers' EBITDA, and the public markets reacted favorably.

For more information on how STS Capital Partners can assist in selling your business and make an Extraordinary Exit™ possible, please contact ExpertGuides@stscapital.com or visit stscapital.com.