



# Corporate Review 2013





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# Welcome

2013 was another busy year for the Corporate Team. As a Partner led professional service business, we have a proportionately higher number of Partners than many of our competitors. This enables us to commit to high levels of service, technical ability and commerciality. Our partners are supported by talented, ambitious and hard working teams who understand that we must provide every client with an excellent service and value for money.

Our team understands the importance of excellent service delivery and responsiveness. We work hard to get even the smallest things right because they matter.

Excellent service means different things to different people. To us it is simple: provide clients with what they want, when they want it, at an agreed cost and through people who have personality. We want everyone to enjoy working with us and know exactly what they are going to get.

We are delighted that clients continue to trust us with their work and we never take their loyalty for granted. We believe that delivering on our approach has, once again, played its part in the North East corporate finance community voting us Corporate Law Firm of the Year for the sixth consecutive time. We are very proud of this recognition from the business community where we all live and work.

“Muckle LLP’s overall level of service is “exceptional,” and the team is “second to none in the region for personal service, response times and value for money.”

The highly regarded Robert Phillips leads the team. Recommended individuals include Andrew Davison and Nicola Loose, who is “an outstanding lawyer with cutting-edge knowledge and superb understanding of finance.”

**Legal 500 2013**

## Working with long term clients

# Industrial investment

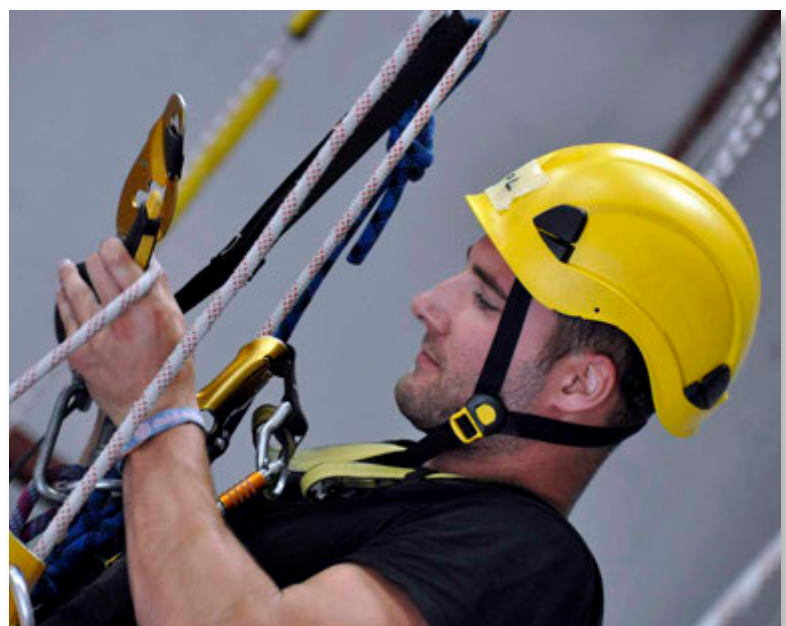
**We continue to feel that it is important for us to contribute to the key issues facing our sector in this region and wider afield. Examples of how we have been contributing to this discussion include:**

We have worked with KAEFER C&D Limited since 1995 and have built a strong relationship with UK and German management over that period whilst at the same time completing a number of acquisitions across the UK. We recently helped them to acquire Billingham-based OPUS Industrial Services Limited, which also has a branch in Ellesmere Port in Cheshire.

KAEFER OPUS provides industrial services such as scaffolding, protective coatings, structural fire protection, thermal insulation, training, rescue and specialist rope access. This extends KAEFER C&D's range of services and geographical reach. KAEFER C&D specialises in providing insulation, scaffolding and ductwork fabrication and installation for large-scale projects, predominantly in the power generation industry, new offshore platforms and aircraft carriers.

“ Once again Muckle LLP, Robert Phillips and his team, have supported KAEFER C&D in expanding their business by the acquisition of Opus Industrial Services Limited. Their strength and knowledge of our industry and the way we operate has been of importance in such a complex deal.”

**Alan Green, Managing Director of KAEFER C&D**



**KAEFER OPUS**

# Property partnership purchased

We worked closely with UK Land Estates (Partnership) Limited and its joint venture partner, Highcross, on the buyout of the Homes and Communities Agency's (HCA) interest in their joint venture, North East Property Partnership (NEPP). This transaction went on to be named as "Deal of the Year" at the North East Insider Dealmakers Awards 2013.



Teesside Industrial Estate, Middlesbrough



Pennywell Industrial Estates, Sunderland

Deal of the Year 2013



NEPP was established in 2004 when the Regional Development Agency sought a private sector partner to manage and operate its commercial property interests in the North East for a ten year period. These interests extend across the whole of the region and include many of its key industrial and commercial centres e.g. Team Valley Trading Estate in Gateshead, South Nelson Industrial Estate in Cramlington, Pallion and Pennywell Industrial Estates in Sunderland and Teesside Industrial Estate on the outskirts of Middlesbrough.

The deal enables UK Land Estates to invest on these sites whilst the HCA focuses on investing in housing and economic development. UK Land Estates' plan to develop and improve the estates was one of the main attractions of the deal for the HCA. The purchase ensures that the operation and ownership of these key North East assets remains firmly located in the region.

“ A big thank you to your teams. I always know you will deliver and yet again feel that our professional team was in a class of its own.”

**Michael Spriggs, Managing Director at UK Land Estates (Partnership) Limited**

# Gateway to financial gains

**Muckle has worked alongside the fast growing Moneygate Group for a number of years. Moneygate is a financial services group with offices across the UK, providing independent financial advice and investment management. It is one of the fastest growing financial services companies in the UK.**

During the year, Moneygate rebranded its independent financial advice business to “Fairstone Financial Management” and its investment management businesses to “Marketstar Investment Management.” We advised Moneygate on the acquisition of its Edinburgh office as well as various

investment projects. We also helped Moneygate develop an innovative Deferred Buyout Model which enables it to acquire financial services businesses whilst allowing for a period of integration before the acquisition completes.

“ Muckle have continued to help us with the growth of our business. As well as key acquisitions and capital raising projects, they developed an acquisition model which works for us and allows us to get on with getting deals done.”

**Lee Hartley, Chief Executive of Moneygate**



# Express delivery for Burdon



**When an opportunity emerged, we moved quickly to advise Express Engineering on the buyout of administration of North Yorkshire precision components firm, Burdon Limited.**

Express stepped in to buy the business and assets of Burdon Limited, saving the jobs of the entire 76 strong workforce. Also within the deal came a virtually completed 25,000 sq. ft. factory, which will accommodate further expansion of

the Stokesley operations, resulting in more skilled jobs. The acquisition will be used to expand services and reduce lead times to existing Express customers.

“ We quickly reached agreement on a purchase which we see as a good deal for both businesses. I would like to thank all those involved in the negotiations for their assistance in enabling a speedy agreement.”

**Nigel Davison, Managing Director of  
Express Engineering**

# Investment calls are answered

We helped support Activ Telecom's expansion by advising them on securing a substantial six-figure investment from NEL Fund Managers, which administers the Finance For Business North East Growth Fund. We have worked with the team at Activ Telecom from its inception, having previously worked with Ian Gillespie and Michael Fitzpatrick in other businesses for many years.

Activ Telecom originally focused on mobile communications, but has widened the range of services it provides in the last three years to include fixed line calls and lines, broadband, hardware

provision and IT infrastructure. Activ is aiming to double the firm's current workforce of 26 during 2014, as well as to double both its workforce and turnover during 2014.



“ We have enjoyed a long standing relationship with Muckle over the years who have supported us as our business has grown. The strong support we received from Craig and Amy and their commercial approach helped us manage the investment process while staying properly focused on running the company.”

**Ian Gillespie, Managing Director at Activ Telecom Limited**



# Hays' holidays in Bath



**We continued our support of Hays Travel, the UK's largest independent travel agent, with its expansion by completing its acquisition of Bath Travel, the South's largest independent travel agent.**

Bath Travel has 60 branches and employs 360 people, all of whom were retained, with annual sales in excess of £100million. The acquisition presented a good cultural fit between the two organisations. The values of Bath Travel are of

independent and knowledgeable, personal service.

Prior to this deal, Hays Travel had 43 retail shops employing over 800 people and with an annual turnover of more than £500million.

“This was a strategic acquisition for us and represents a big expansion of our retail offering. We have worked with Muckle for a long time now and the team did a great job helping deliver this deal for us.”

**John Hays, Managing Director of Hays Travel**

# Constructing great relationships

**Thriving private companies are in many respects the backbone of the North East economy. It is a source of pride to us that we look after all the legal requirements of many of the best known and successful companies in this region and in many cases we have relationships stretching back over many years.**

Owen Pugh & Company work in the construction industry and are generally associated with plant-hire, haulage and earth moving. They are a great example of one of the best long established private North East companies. Its share ownership may have changed over the years (including a transition from the founding Pugh family) but its philosophy and its

commitment to the region stays the same. We have advised on a variety of corporate, construction and other issues for many years and recently helped in the acquisition of their new premises at Blaydon, which forms a key part of their continuing growth and regional success.

“ The Muckle LLP team has advised us for more than 10 years across all areas of our business, including acquisitions. There are many reasons why we always instruct Muckle LLP. Apart from their expertise, it’s simply because we enjoy doing business with them.”

**John Dickson, Chairman at Owen Pugh & Company Limited**



## Building new relationships

# Outstanding in their field



**We helped Kavli UK, which is best known for its Primula cheese and Castle MacLellan brands, to acquire St. Helen's Farm. St. Helen's Farm is based in Yorkshire and uses goats' milk to produce various types of milk for supply to retailers as well as ice-cream, yoghurt, butter and cheese.**

The project started early in the year and completed at the end of July, resulting in Kavli obtaining a brand leader in the fast-growing goats' milk market. We worked with the Kavli UK management team based in Gateshead, to deliver a successful outcome for all parties. The deal was a real highlight in the year for us, working with a local client to achieve an important strategic aim.

The Kavli Group is ultimately owned by the Kavli Trust, a charitable organisation (based in Norway) set up to use profits from the group's commercial activities to support good causes both in the UK and around the world.

“Following a review of legal teams available in the region for an acquisition we were undertaking, we chose Muckle LLP because we felt they had the ability to understand and relate to the issues involved quickly and because we believed that they are genuinely personable people we could work with. Critically though, they are also very professional in all that they do. Nicola and Robert led us through a complicated and demanding transaction that evolved as the process moved forward, but importantly ensured that all the Muckle team were available, ready for action and able to turn things around quickly. The commitment, enthusiasm and dedication shown by the whole team throughout the process were outstanding. We have now moved more of our legal business to Muckle LLP and they continue to deliver ahead of our expectations.”

**Paul Lewney, Managing Director at The Kavli Group**

# Working with public companies

**The PLC Advisory Team, the largest specialist PLC team in the region, has had another busy year. This reflects the increase in mergers and acquisitions activity among public companies and growing confidence in the equity markets.**

We have seen activity in the IPO market grow steadily in the North East region in recent years, particularly on the London Stock Exchange's Alternative Investment Market (AIM), designed to help high growth companies to raise the capital they need. We advised on the IPO of Vertu Motors plc and of Utilitywise plc, both of which have won the "Best use of AIM" award at the national AIM Awards ceremony in London.

Building on this experience, in 2013 the PLC Advisory Team (including Andrew Davison and Philip Clare) advised a number of shareholders in Kromek in relation to its IPO on AIM.

We have also advised on a number of issues which needed consent from the Takeover Panel, including two recent share buybacks for locally based public companies.

This builds on the success of the team in recent years, advising on the takeover of BNS Telecom Group plc and, last year, the takeover of Metnor Group plc.

Our PLC Advisory Team continues to act for a number of public companies, advising on corporate governance, compliance, providing training to directors and working closely with boards on strategic and regulatory matters. In addition to leading the team, Andrew Davison is company secretary of one of the region's AIM companies and is a member of the Regional Advisory Group of the London Stock Exchange.

“ I am delighted with the performance of everyone at Muckle.”

**Stephen Rankin, Chief Executive Officer at Metnor Group plc**

“ Andrew Davison is described by sources as “an exceptional lawyer.”

**Chambers & Partners 2014**

“ I enjoyed working with Muckle. They were efficient, easy to work with and provided practical advice in a clear and understandable manner.”

**A venture capital investor**

# Takeover target aims to de-list



**The PLC Advisory Team (including Andrew Davison, Philip Clare, Sarah Forster and Matthew Walsh) advised the Board of Baydonhill plc, a longstanding client of the firm, on a recommended takeover offer by Earthport plc.**

Baydonhill is a London based currency exchange brokerage that provides a personalised service to corporate and private clients, giving them access to international money transfers. Our PLC Advisory Team advised on the de-listing of Baydonhill from AIM and on the ongoing strategy. Before the offer was made, Baydonhill's shares were traded on BritDAO.

Earthport is a global financial services organisation, providing international payment services in over 50 countries. Its shares are traded on AIM and the offer for Baydonhill was part of its overall strategic expansion plans.

We advised Baydonhill throughout the process, which involved both a cash offer and a cash plus a deferred element alternative. The offer was announced on 18 September 2013 and was declared wholly unconditional on 18 October 2013.



This deal presented an excellent opportunity for Baydonhill to develop its services and expand its business as part of a larger group. The two companies complement each other well and this is an exciting development for us.

Muckle did a great job on what was an extremely complicated and intense transaction. They worked closely with us to guide us through the process, displaying an excellent knowledge of the Takeover Code and a very commercial approach to overcoming problems encountered along the way. The project team, led by Philip Clare, worked well beyond our expectations on the takeover."

**Julian Kelly, Finance Director at Baydonhill plc.**

## Working with private equity investments

# Winning investment was no accident

We enjoyed advising Jeff Winn, the founder of Winn Group, on an innovative transaction that involved private equity investment into his law firm. The £multi-million investment came from international investment companies, JZ International and Souter Investment Group.

The Winn Group employs over 290 people and is recognised as an expert in road traffic accident claims. The investment means that it will be able to continue to expand its one-stop shop for accident management services nationally.



When we decided to enter into a deal with a private equity company to achieve some cash out and additional future funding I knew it would be complicated. I knew we would be on the back foot in negotiating with a private equity company who are experienced at what they do and know every potential angle to take. On recommendation, I engaged Robert Phillips of Muckle to even up the balance. On assessing all lawyers involved in the process, Robert stood out as being very knowledgeable, pragmatic and proactive. His sharp eye for detail ensured we achieved the maximum protection and best possible terms from the private equity buyers involved. I would strongly recommend Robert and his team to anyone undertaking a sale or future management arrangement with a private equity investor. Robert Phillips is simply head and shoulders above the other lawyers representing the private equity investors. At times he ran rings round them to our considerable benefit.”

**Jeff Winn, Director at Winn Solicitors Limited**



# Awards



## Heart of the Community Award North East Business Awards 2013 winner – for the second year in a row

We won the “Heart of The Community” award for the Tyneside and Northumberland regions of the North East Business Awards. This was awarded in recognition of the care that all of our people have shown in helping the communities where we live and work. It is an award that is aligned closely to our belief in the importance of being a responsible business and it reflects what has been done by a huge number of people across the firm.

We won the overall “Heart of the Community” award in 2012 for all regions across the North East.

We were also short-listed in the “CSR and Environmental” category for the Northumberland and Tyneside region in the North East Business Awards 2013.



As we go to press with this Review, we have won this year’s Heart of the Community Award.



**INVESTORS  
IN PEOPLE** | Gold

**In October 2013, we became one of only a handful of UK companies to achieve the Investors in People Gold accreditation. There are even fewer law firms who have been able to gain this exclusive accreditation.**

The Investors in People Gold award represents achievements of world class best practice. We are proud to be the only law firm with a North East head office to achieve this. It reflects the support, encouragement and recognition that we give to all our people and is part of our

continued commitment to providing an excellent service to all our clients.

26% of the UK workforce is employed by organisations that have an Investors in People award but only 3.6% have achieved the gold accreditation.

# The region's best dealmakers

**Muckle LLP has won at every North East Insider Dealmakers Awards since their inception. The region has voted us “Corporate Law Firm of the Year” for an unprecedented six consecutive years.**

Winners are selected following confidential voting by members of the North East business community (banks, accountants, brokers, venture capitalists, etc.), and we are absolutely delighted to have received such recognition from our peers every year.



## Insider Dealmakers Awards 2013 winner

- **Corporate Law Firm of the Year**

- **Deal of the Year**

The acquisition of the Homes and Communities Agency's interest in the North East Property Partnership joint venture by UK Land Estates

- **Corporate Lawyer of the Year**

Won by Partner, Nicola Loose





Keith Taylor, Treasury Director at UK Land Estates receiving the Deal of the Year 2013 award

#### Insider Dealmakers Awards 2012 winner

- **Corporate Law Firm of the Year**
- **Deal of the Year** - listing Utilitywise plc on AIM, the London Stock Exchange's market for medium sized growing companies. This was the first business in the region to join AIM for five years.

#### Insider Dealmakers Awards 2011 winner

- **Corporate Law Firm of the Year**
- **Corporate Lawyer of the Year** - won by Partner, Craig Swinhoe

#### Insider Dealmakers Awards 2010 winner

- **Corporate Law Firm of the Year**
- **Deal of the Year** – the sale of Visage Group
- **Corporate Lawyer of the Year** – won by Partner, Nicola Loose
- **Young Dealmaker of the Year** – won by Associate Solicitor, Philip Clare

#### Insider Dealmakers Awards 2009 winner

- **Corporate Law Firm of the Year**
- **Deal of the Year** – the management buyout of Quantum Specials
- **Corporate Lawyer of the Year** – won by Partner and Head of the Corporate Team, Robert Phillips

#### Insider Dealmakers Awards 2008 winner

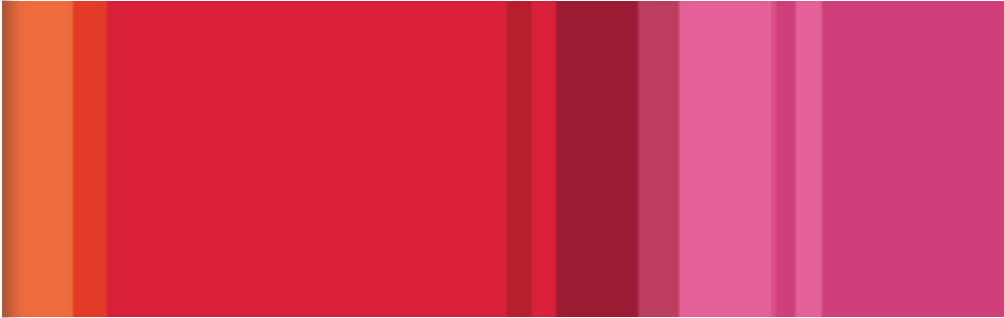
- **Corporate Law Firm of the Year**
- **Corporate Lawyer of the Year** - won by Partner and Head of the Corporate Team, Robert Phillips
- **Young Dealmaker of the Year** – won by Partner, Craig Swinhoe when he was an Associate Solicitor

#### Insider Dealmakers Awards 2007 winner

- **Deal of the Year** – the £25million flotation of Vertu Motors on AIM and its reverse takeover of Bristol Street Motors
- **Corporate Lawyer of the Year** – won by Partner, Andrew Davison









**Muckle LLP**

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