

muckle^{LLP}



CORPORATE
REVIEW
2018/19



achievements 2018/19



hello

The 2018-19 financial year has been busier than ever for our team.

We have completed 75 deals, an average of 1.4 transactions per week, which shows that the deals market has continued to thrive. It remains to be seen whether this is a by-product of Brexit uncertainty, or fears of tax changes on the horizon. However, this year has certainly produced opportunities for good businesses.

We have seen a growth in inward investment and the North East has benefitted from some major investment by global corporates. We also saw strong activity from private equity investors and were delighted to advise on several deals, including acting for the fund manager on the region's maiden investment from the eagerly awaited North East Venture Fund (NEVF) - the first in a series of NEVF transactions we have supported.

We expanded capability in 2019, adding two new solicitors and an apprentice solicitor to our team, as well as promoting three lawyers to partner (see page 4).

We were extremely proud to see our work recognised again at the Insider North East Dealmakers Awards, where we won Corporate Law Firm of the Year for an eighth time. Philip Clare also won Corporate Lawyer of the Year for the second year running and our work for The Naked Deli was recognised in one of the Deals of the Year (see page 34).

During the year, we launched our new Corporate Services offering. The service is specially designed to help businesses create, grow and realise value – and we have had some great success stories already. Amy Wanless is one of our lead advisers in this area and we were delighted to promote her to senior associate following some excellent results in this field (see page 38).

I would like to thank our clients and business partners for their continued support and I would also like to take this opportunity to thank my team for helping so many clients to get their deals over the line.

I hope you enjoy reading this brief review. As always, if you would like to know more or feel we can help your business in any way, please do get in touch.

Andrew Davison, OBE
Partner and Head of Corporate



partner promotions

Following a record year of growth, we are delighted to have promoted three associates to partner. We now have eight partners leading the largest team of dedicated corporate lawyers in the North East.

Matthew Walsh

A former work experience student, Matthew's journey with Muckle started when he was just 15. Now one of the team's top dealmakers, his drive and technical skill have helped deliver some award-winning deals.

Career highlight: being lead legal adviser on two Insider North East Deals of the Year

Specialises in: private equity, downstream buyouts and acquisitions

Follows: Leeds United (through thick and thin)

Sarah Forster

Sarah is a highly experienced adviser and clients value her pragmatic and driven approach. Sarah's technical knowledge is a real asset to our team, with particular expertise in delivering public company deals.

Career highlight: advising on one of the largest IPOs admitted to AIM in recent years

Specialises in: IPOs, takeovers, acquisitions and corporate governance

Likes: swimming, photography and travel

Adam Rayner

Adam is renowned for being a tenacious advocate for his clients. Energetic, hardworking and commercial, he has built up a reputation for delivering high quality advice, particularly in private equity and investments.

Career highlight: winning North East Insider Young Dealmaker of the Year

Specialises in: private equity, venture capital, mergers and acquisitions

Known for: being habitually optimistic about the prospects of Newcastle United

Turn to the back to see all our team members.

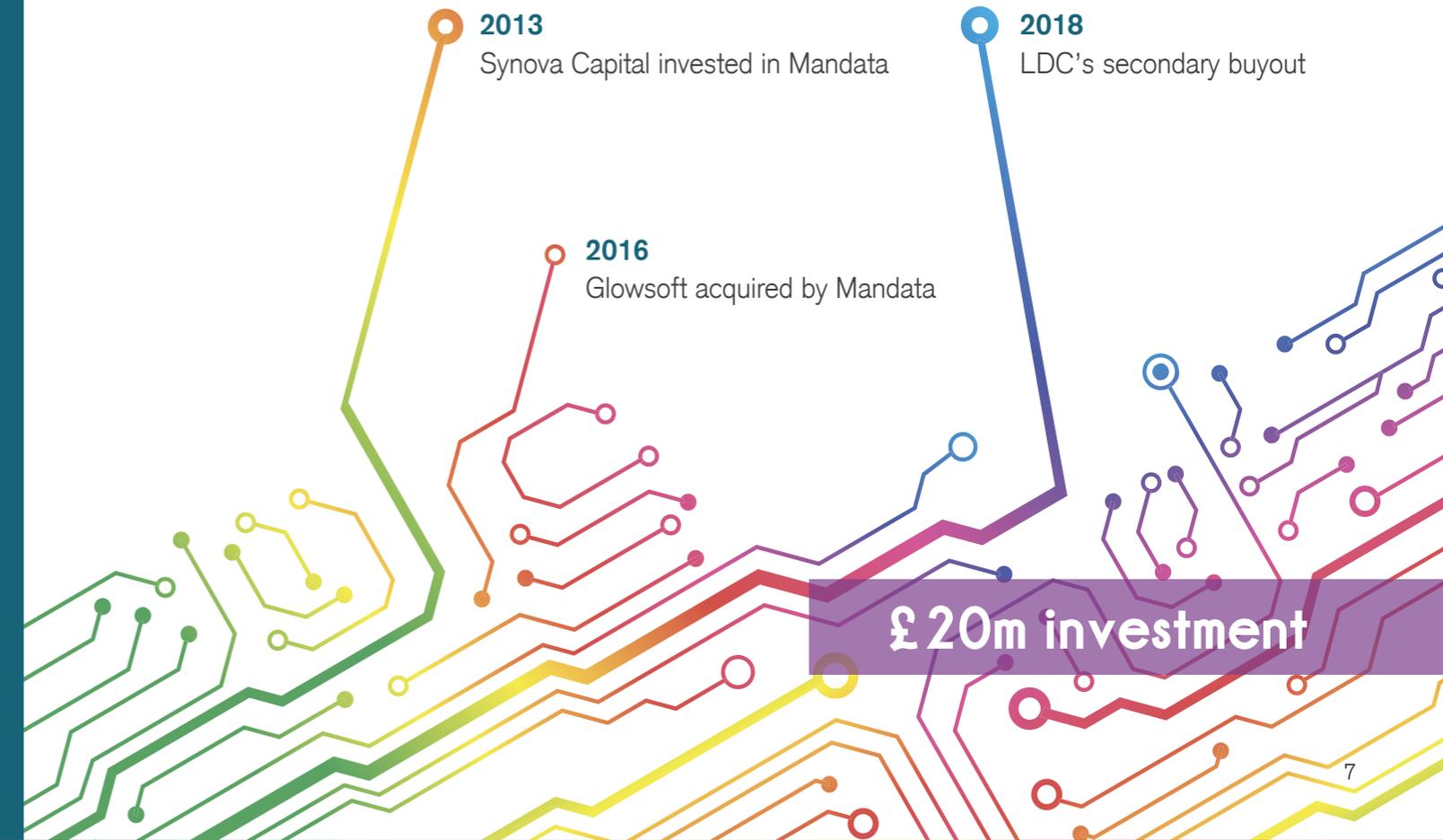
private equity

The North East has a lot to offer. We have continued to advise both private equity investors and companies seeking investment and there are some excellent businesses in the region, grabbing the opportunity to grow with the help of private equity funding.

lasting relationships



We were again asked to help the UK's leading mid-market private equity fund, LDC, this time on its secondary buyout of software developer Mandata from Synova Capital. We had advised on a number of previous transactions involving Mandata, which helped with completing this £20m deal.



technical excellence

Our pharma-sector knowledge, as well as our private equity experience, proved to be crucial when NVM asked us to advise on an out-of-region deal for a new pharmaceutical company. NVM's £2.75m VCT investment of growth capital into Reading based Ridge Pharma, helped the business to commercialise its first product.

 Muckle were the team of choice given their excellent track record in the pharmaceuticals sector. The team brought specialist advice alongside a commercial approach which facilitated both the technical legal elements and a smooth completion."

Aaron Lawson-Clark, NVM Private Equity investment associate

A red rectangular banner with white text that reads '£2.75m VCT investment'. The banner is positioned at the bottom of the photograph on page 8.

£2.75m VCT investment

support for life

Successful life-sciences spinout from Newcastle University, Newcells Biotech, is leading the way in the development of human induced pluripotent stem cells for efficacy and toxicity testing. We helped the Newcells team complete a £1.5m investment from NVM, along with £500,000 from existing investors Northstar Ventures. This has enabled the business to expand its technology expertise, launch new market-leading products and continue to invest in new product development.

“With so many parties involved, our investment could easily have become a protracted affair. The fact that it went through smoothly and efficiently was thanks to the great support from the Muckle team, whose responsive advice was crucial.”

Mike Nicholds, Newcells Biotech CEO



£2m investment

BlueWaterEnergy

crystal clear advice

We helped energy sector private equity firm Blue Water Energy to invest in North Shields based AIS Training and also helped merge this business with global simulator developer Drilling Systems to form 3T Energy Group. We then went on to advise 3T Energy on its acquisition of offshore training firm Survivex.

“We were looking for regional expertise and a track record in private equity transactions. We chose Muckle primarily because of their strong track record, the extensive size of their dedicated corporate team and their lawyers’ expertise and pragmatic approach.”

Graeme Sword, Blue Water Energy co-founding partner

“track record in private equity”

moving up a gear

Leading manufacturer of components for electric and hybrid vehicles AVID Technology has continued to grow since we advised on its £3.4m investment from NVM in 2016. This year, AVID secured another major investment of £7m, led by Maven Capital Partners - together with NVM Private Equity, allowing them to increase production volumes and invest in further development of class leading electric motors, power electronics and battery systems.

 We were again grateful for the support of our trusted legal advisers at Muckle. The team really understand our business, respond to our needs quickly and can always be relied upon to get the deal done."

Ryan Maughan, AVID Technology managing director



£7m VCT investment

inward investment

Brexit may have dominated headlines, but it hasn't prevented investment from abroad. Here are some of the important inward investments we helped during the year.



“negotiating a fantastic future”



worldwide appeal

We helped Whiteley Murphy Group, specialists in design led manufacturing businesses, join German based HAHN Group, a global network of companies specialising in automation and robotic solutions. Since joining this international company, the North East based Whiteley Murphy Group has been able to enhance its services and is looking forward to an even brighter future.

“Muckle has a huge amount of experience in international transactions, which was invaluable in successfully negotiating a fantastic future for our business as part of this multinational group.”

Chris Whiteley, CEO of Hahn Automation

continental quality

We advised the shareholders of Northumbrian Fine Foods, the Gateshead based award winning manufacturer of gluten and milk-free sweet biscuits, on its acquisition by Biscuit International. This multinational company is one of Europe's leading players in the private label sweet biscuit market and the deal has opened up new opportunities for both businesses.

“Muckle’s ability to support various parties’ interests, quick responses and calm approach when timescales were tight, were essential to achieving a successful completion. They acted as part of our team and a professional approach with hard work got us over the line.”

Stewart McLelland, Northumbrian Fine Foods managing director

£27m turnover

transatlantic transformation

We first advised Hydrum Engineering, the Durham based sheet metal business, over 20 years ago, and recently helped to secure its new future as part of the Dynamic Aerospace and Defence Group, based in Michigan, USA. Hydrum has now become the group's platform for expanding into the UK and the wider European market following this transatlantic deal.

 Muckle's support and advice was invaluable. The owners of the business relied heavily on our legal advisers throughout the acquisition process and we were impressed with their commitment and professionalism."

David Greatorex, Hydrum Engineering managing director

20 year relationship

trade deals

Negotiating mergers and acquisitions often involves lots of parties, so project management and responsive legal support that can adapt to every turn in the process can be crucial in sealing a deal that works for all.

bright future

Contract Candles, the Surrey based specialists in bespoke premium candles and diffusers, supply some of the UK's biggest luxury brands. After sustained growth, we helped the business complete the strategic acquisition of one of its suppliers. The deal allowed Contract Candles to bring a key process within the group operations, creating more opportunities for future growth and helping to support its clients even better.

“It was great to work with the Muckle team on this strategic acquisition for the business. Their management of the transaction and understanding of the key issues for us made a big difference.”

Steve Thompson, FD at Contract Candles

winning formula

Since 2016, Fairstone Group, one of the UK's largest chartered financial planning firms, has acquired 16 businesses through its innovative downstream buy out (DBO) process. We helped create that process and have advised on each of the acquisitions, including the following during the year.

2018/19 DBOs

- Zimb Johnson Bespoke Financial Planning
- Sims Financial Planning
- Robert Goodman Associates
- Belasis IFA
- Pensions and Wealth Management Services
- MRDK
- Bankfield Financial Advisers
- South West Financial Planning



The corporate team work seamlessly with us on our acquisitions and their technical expertise and quick responses have helped us achieve our growth."

Lee Hartley, Fairstone CEO

8 acquisitions

positive energy

We helped company director Nick Oates acquire offshore engineering firm Quanta Fabricom from global French energy group Engie, in one of the North East's most significant management buyouts of the year. The Newcastle based business has since opened a new office in Aberdeen and is successfully building on its rich 30 year history in the oil and gas sector.

 We engaged Muckle because of their impressive track record in corporate deal making and experience in the energy sector, and we were delighted with the invaluable advice we received throughout the whole process."

Nick Oates, Quanta Fabricom CEO

A photograph of three men in orange high-visibility jackets and white hard hats with the Quanta Fabricom logo. They are standing on an industrial site, leaning on a yellow barrier. The background shows complex metal structures and scaffolding.

taking control



hire understanding

We work hard to build lasting relationships with all clients, because it means we can provide tailored and responsive advice with a sound understanding of the businesses we work with. That certainly helped us support Nixon Hire, which recently completed the multimillion pound acquisition of the plant, equipment and assets of Mechplant from Esh Construction Group, as well as buying Elliot Lohire – its biggest acquisition to date.

“The support and advice we received from Muckle played an important part in getting these successive deals over the line. The experience and expertise that we received from their Corporate team helping to conclude these sizeable acquisitions were vital.”

Graham Nixon, Nixon Hire managing director

2 acquisitions in 5 months

structured for success

When Newcastle-based wealth management firm Tier One Capital planned to expand its business, the management team knew where to go for legal support. We helped them acquire a significant shareholding in Carrick Financial Management, delivering a fantastic deal for both businesses.

 We would like to thank Muckle for its invaluable strategic legal and business advice in structuring and concluding this deal.”

Jess Swindells, Tier One Capital managing director

“invaluable strategic advice”

growth capital

From helping early stage businesses to scale-up to advising the investors managing the North East Venture Fund, we have a range of skills and services to help all businesses grow.



north east venture fund

The eagerly awaited North East Venture Fund (NEVF) was a big deal for the region's SME market, so we were delighted when the fund managers Mercia asked us to advise on its maiden investment - £500,000 for energy benchmarking experts Troo. This was swiftly followed by investments in Notify Technology and Trench Networks - making it three deals in three months.

 "We've been very impressed with Muckle's ability to complete transactions concurrently and deliver them consistently month after month."

Ian Wilson, Mercia's North East fund principal



insider **DEALMAKERS**
AWARDS 2018

DEAL OF THE YEAR
INSIDER NORTH EAST DEALMAKERS AWARDS 2018

taste sensation

Popular Newcastle based clean-eating restaurant chain The Naked Deli received a huge boost to its expansion plans with a multimillion pound investment of growth capital from Foresight Group, a leading private equity investment manager. We advised The Naked Deli on the deal and on appointing a new experienced chairman. Since then the team has opened up new locations in Newcastle, with plans to scale the business throughout the UK.

“Without the support of the Muckle team we would never have made it this far. This investment was a very personal milestone for us, as our lives are invested in the success of The Naked Deli. Muckle recognised this and everyone worked incredibly hard to help successfully deliver the deal.”

Ian Jones, Naked Deli director and co-founder



tech start-up

#cloudfine

Durham based tech start-up Fumarii Technologies was looking for significant investment to help launch its innovative cloud platform and computers. With tech that can change virtually any screen into a supercomputer, the company aims to give small businesses access to digital resources typically only available to large firms. After being referred by Sunderland Software City, we had just 24 hours to deliver the investment needed. No problem. The world of tech moves quickly after all.

We wanted to complete the latest investment within 24 hours and I was impressed with Muckle LLP's ability and flexibility in delivering this on time, helping us to realise our vision."

Liam Gill, Fumarii Technologies CEO

corporate services

All successful businesses need a strategy - a plan to get them where they want to be. That's why this year we set up our new Corporate Services team, with lawyers who specialise in helping businesses create, grow and realise that master plan.



right first time

To help raise the bar for client experiences, executive search experts David Blair and Simon West set-up their new recruitment business with longevity in mind. At Blair West they have created an environment, with short and long term incentive plans, that's specially designed to attract and retain top consultants and develop lasting relationships with key clients.



The advice and support we have received from Muckle has been exceptional. They have embraced our vision and helped us establish a structure and growth plan that we are incredibly excited about."

David Blair, Blair West co-founder

restructuring to attract investment

We were delighted to work with global recruitment and project man-power specialist Samuel Knight International, one of the region's brightest prospects, on a deal that combined our Corporate Services and private equity investment expertise. We helped Samuel Knight International to demerge from its previous corporate group and banking arrangements - paving the way for a game-changing VCT investment from Gresham House Ventures. Now the business is expanding its team in London, Bristol and Newcastle, with further plans to grow overseas and enhance its tech.

 We are delighted to have secured the funding. The investment will enable us to strengthen our global offer, expansion plans and team growth."

Steven Rawlingson, Samuel Knight CEO

game-changing funds



the right blend

It takes more than Dutch courage to turn down investors on the BBC's Dragon's Den, but it paid off for Tea Venture and its alcoholic tea brand NOVELTEA. A crowd-funding drive secured the investment needed and we helped them structure a dynamic distribution deal to crack the lucrative Chinese/Asian market. We also previously supported Tea Venture through Mi Business, our small business support package.

“As a growing start-up, legal advice is critical. You can delay legal protection and pay the price for that later, or you spend too much on legal advice at the beginning. This, however, is a scale which can be balanced if you find the right partner. We believe we have found this partner in Muckle.”

Lukas Passia, Tea Venture co-founder

dynamic distribution deal

expert advice - always

If your business needs support on an issue outside corporate, our full range of specialists are quickly at your service. These include:

Banking and Restructuring

Top ranked in Legal 500 and Chambers & Partners, our award winning team can support any debt finance raising, from a simple working capital facility to a complicated bond issue or multi-bank arrangement. They also provide advice on debt restructuring and any insolvency and creditor issues.

Real Estate

Large and highly respected, our award winning real estate team has the specialists to handle every property issue from acquiring new premises to asset management and property development, as well as property disputes.

Commercial

Top ranked in Legal 500, our commercial team knows everything there is to know about intellectual property and commercial contracts big, small, bespoke or standardised, on or offline.

Technology

From data breaches to development and procurement, IT is a rapid growth area in business with many legal implications. That is why our specialist technology team is a huge asset to the region.

Dispute Resolution

Our dispute resolution team is regularly engaged in multimillion pound national and international litigation as well as smaller local disputes. It offers strategic advice and alternative dispute resolution, emergency remedies and a highly successful debt recovery service.

Employment

Our employment team has a broad range of expertise. It is renowned for its communication skills and for handling highly sensitive senior team changes. In addition to day-to-day legal work, our lawyers regularly give talks on employment law and provide NCFE accredited training, ideal for in-house legal teams and HR professionals.

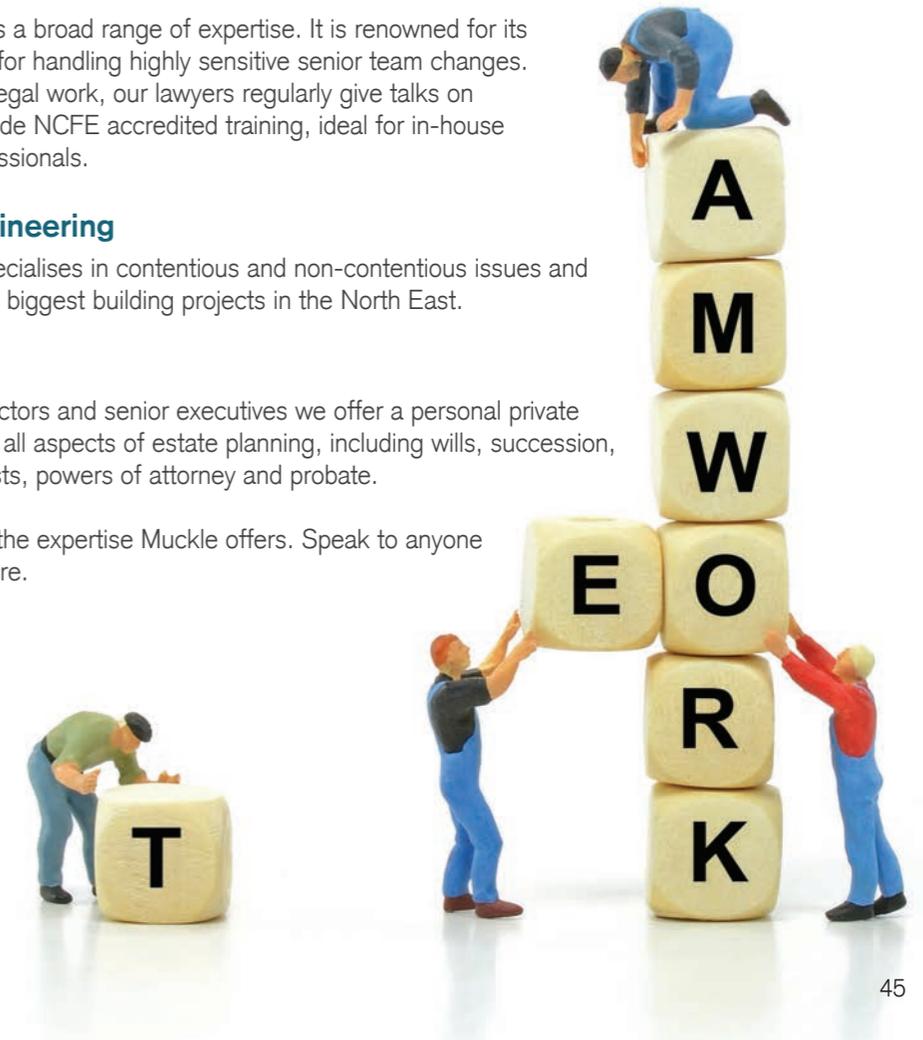
Construction & Engineering

Our construction team specialises in contentious and non-contentious issues and is working on some of the biggest building projects in the North East.

Private Client

For business owners, directors and senior executives we offer a personal private client service to advise on all aspects of estate planning, including wills, succession, inheritance tax, family trusts, powers of attorney and probate.

This is just a snapshot of the expertise Muckle offers. Speak to anyone in our team to find out more.



expanding expertise



The team delivers an excellent client service. The technical advice is consistently reliable, they are all easy to work with and they get the job done."

Chambers & Partners

meet the team



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