



# Carlton Strategy Advisors Limited

Commercial | Market | Advisory

NEWSLETTER

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Latest News from CSA

**CSA provides commercial due diligence to NVM Private Equity for investment in Cawood Scientific**

**Carlton Strategy Advisors has successfully supported NVM Private Equity by providing full-scope CDD in connection with the management buyout of Cawood Scientific Ltd, the UK's largest independent provider of analytical laboratory testing services to land-based industries.**

## **INVESTMENT SITUATION: Investment to support business unit growth across the UK and Europe**

Cawood Scientific operates from two main facilities, NRM Ltd in Berkshire and Sciantec Analytical Services Ltd in Yorkshire, both providing a "one-stop-shop" range of analytical testing services for businesses engaged in the agricultural and environmental sectors. The need for land-based industries to be environmentally friendly, reduce costs and provide product assurance drives demand across its key fields of activity, namely: the analysis of animal feed, grain, soil, fertilisers, composts, contaminated land and renewables such as composted waste and anaerobic digestate.

## **PROJECT SCOPE: To provide NVM with business and market insight relevant to the investment decision**

CSA began the CDD process in a meeting with the Cawood senior management team to discuss strategic direction, core business competence and new commercial initiatives. This was a key step in helping to analyse the strength of the company's competitive positioning and ability to defend traditional market segments. It also provided the point from which CSA could judge the overall stability of the established Cawood business platform from which the company's management could launch its further growth plans.

## **THE RESULT: Delivery of CSA's report and opinions about the main commercial risk and opportunity implications attached to the deal**

The CDD, which included extensive customer referencing, highlighted the many factors contributing to the growth of analytical laboratory testing in the field of agriculture and the environment, such as ever-developing EU and national legislation encompassing food, animal feed, the environment and health and safety.

Peter Hodson led the deal for NVM and comments: "CSA provided valuable strategic insight and their analysis was backed with strong supporting evidence and thorough referencing. The CDD provided independent opinion about the structure of the laboratory testing industry and the forces shaping its development. In particular, it gave us an insight into the image and strengths of the company, as seen through the eyes of customers. The Cawood management team has developed a wide ranging growth strategy involving the introduction of new services to niche markets. This company represents an ideal investment for NVM."

*David McClelland is Director of Carlton Strategy Advisors Ltd. CSA is a commercial due diligence and business strategy consultancy, with clients across the Private Equity, Bank and Corporate sectors.*