

Luminer Turns to New Direction Partners for Advice, Guidance

Acquisition positions company for future growth, increased capitalization

Tom Spina, President of Luminer Converting Group, a producer of specialty labels, crossed paths with Paul Reilly, partner at New Direction Partners, several times over the years and worked with him four or five years ago when he needed help with a transaction that involved buying out minority partners. So when it came time to close another deal, Spina turned to Reilly to help speed the close of the transaction.



“I already had a signed Letter of Intent with a private equity buyer,” Spina says. “But I knew I was going to need some professional guidance in order to make sure the transaction moved along smoothly and was concluded to everyone’s satisfaction.”

Spina and his partner, John Borrelli, were working on a deal with Dunes Point Capital wherein they would be around for the long haul as stockholders. “This deal would give us extra liquidity and was part of a longer-term retirement plan for us,” he explains. “Based on past interactions, I had a great deal of trust in Paul and his in-depth knowledge of the industry. When this deal came around, I could tell it was likely to be much more complex than I could handle. I needed two things: my legal counsel, who, by the way, Paul recommended and who I used in the minority transaction. And I needed an advisor that could help me make the transition from LOI to closing. Paul had become a good friend, and he knew and trusted the head of the legal team. It was a great partnership for us to work together again.”

Luminer is the third label-related acquisition for Dunes Point Capital in the last year, according to Spina. Dunes Point had looked at the company before, but the timing wasn't quite right. With their move into packaging, and the establishment of an umbrella company called Premium Label and Packaging Solutions (PLPS), the investor was particularly interested in the fact that Luminer produces specialty, rather than commodity, labels.

Spina notes that in a transaction of this nature, there can be a significant emotional component, adding, "Paul sees it from an open perspective and from his experience in doing a lot of deals. If either party is asking for something that might be outside the boundaries of good business, he was able to put a fine point on it. This can relate to the financial terms, of course, but also to the legal structure of the deal as well. I would say that the other major thing Paul did for me, probably the most important aside from being a confidant, was his ability to translate legalese into something very understandable, and act as sort of a bridge between me and the legal advisor."