

Industry Knowledge is Critical in Selecting Print/Packaging M&A Advisors

When his father, Larry Scheffler, retired 11 years ago, his son Tim, daughter Heidi and his brother John, took over running Las Vegas Color Graphics, a family-owned printing business specialized in one-to-one and conventional consumer communications, including personalized direct mail. The company has approximately 160 employees and operates out of 100,000 square feet of space.



“When we made the decision to sell the business,” Tim said, “one thing we knew for sure is we needed an advisor who knows the printing industry. Plus, we needed to find a buyer that would not only help the company to continue on a growth path, but also take care of our employees, some of whom have been with the company for 35 years.”

A key element of Tim’s decision to look for a buyer was the fact that he has resided in Boise, Idaho, for the last decade, and his involvement in the company required a great deal of travel and time away from his family. In addition to that, along with the desire to protect his employees and continue providing excellent service to his customers, Tim realized that having one footprint in the western United States was somewhat of a barrier to serving national clients.

“We had heard of Peter Schaefer in the industry,” Tim said, “and he has a great reputation. The industry today is a different place, and you can’t just go to a typical investment banker when you want to sell your business. We knew we needed someone focused on the printing and direct mail industry as a whole, who knew the buyers and could talk to people, not just throw a proposal out to 100 people and see what sticks. Peter was the ideal person who had all of those qualifications.”

Tim speaks from experience, having sold the business once in the past and ending up buying it back.

Schaefer was able to consult with the family, updating them on the status of the industry; explaining who the big players are, what they are doing and why in direct mail, and identifying some potential buyers the family says they never would have found on their own.

“Acquisitions are not the same as they were 10 years ago,” Tim adds. “Peter stays very current on the status of this consolidating industry; and during this transaction, he did exactly what we hired him to do.”

Ultimately, the business was sold to Eran Salu of JAL Equity, the owner of ColorArt, a direct mail firm located in St. Louis. “Eran is very entrepreneurial,” Tim explains. “His offerings are synergistic with what we do, and he has more than 20 locations around the country, so joining up with him significantly expands our footprint. Plus, our employees will not be negatively affected by this transaction, and in fact, will benefit from ongoing growth and increased resources. Without Peter’s expertise, we never would have connected with Eran.”

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“I would highly recommend anyone wishing to sell a printing business today to connect with Peter and the team at New Direction Partners,” Tim concluded. “It was a great experience, a win/win situation for us and for Eran.”

New Direction Partners is an investment banking and financial advisory services formed by Peter Schaefer, Paul Reilly, Jim Russell and Tom Williams to serve the printing and related industries. Services include merger advisory services through the representation of selling shareholders as well as buy side representation, valuation services, financing and refinancing efforts, turnaround and restructuring services, and temporary/interim management consulting. To learn more about New Direction Partners, visit New Direction Partners’ website at www.newdirectionpartners.com.