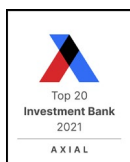


NEW DIRECTION PARTNERS

New Direction Partners, LLC was
10 years old on March 25, 2019



Thank you for subscribing to our quarterly newsletter. Please also follow us on [LinkedIn](#) where you will find frequent postings about trends and issues that will help you better plan your business strategies.

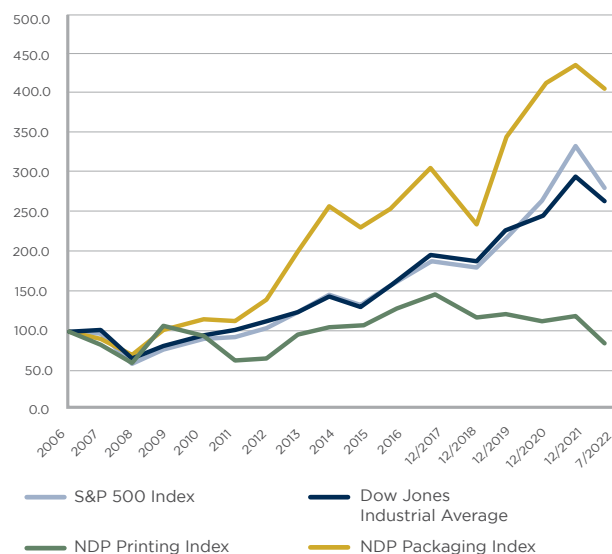
Recent Transactions

New Direction Partners, the leading middle market investment banking firm in the printing and packaging industries, has recently completed the following transactions:

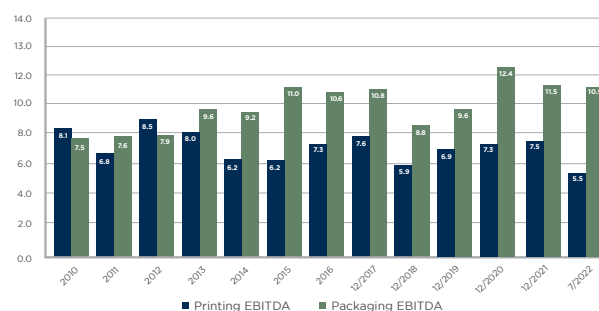
- ▶ Sale of Sandy Alexander to Snow Peak Capital. New Direction Partners represented the seller.
- ▶ SEG Systems & SEG Services were acquired by Orbus Exhibit & Display Group, a portfolio investment owned by Tenex Capital Management. New Direction Partners represented the seller in these transactions.
- ▶ Las Vegas Color Graphics was acquired by JAL Equity. New Direction Partners represented the seller.
- ▶ Fenske Media was acquired by Allan Creel. New Direction Partners represented the seller.
- ▶ LEM Products was acquired by Trident Solutions and River Associates. New Direction Partners represented the seller.
- ▶ Sale of Apogee Industries to Legacy Labels, LLC. New Direction Partners represented the seller.
- ▶ Sale of Kingston Printing of Eudora, KS to Conquest Graphics. New Direction Partners represented the seller.
- ▶ Sale of Overflowworks.com to Amsive. New Direction Partners represented the seller.
- ▶ Sales of Chromatic Productions to Action Packaging & Signature Flexible Packaging (HIG Capital). New Direction Partners represented the seller.
- ▶ Sale of Creel to Mittera. New Direction Partners represented the seller.
- ▶ Sale of Trend Offset Printing to Mittera. New Direction Partners represented the seller.
- ▶ Power Marketing + Printing has acquired the assets of Keystone Press. New Direction Partners represented the buyer.
- ▶ Sale of TCG Legacy Printing and Packaging to Core Industrial Partners. New Direction Partners represented the seller.
- ▶ Sale of TGI Direct to Carmel Hill Acquisitions, Inc. New Direction Partners represented the seller.
- ▶ Sale of Custom Color Corporation to GSP Retail. New Direction Partners represented the seller.
- ▶ Sale of The Goode Company to Almaden. New Direction Partners represented the seller.

Industry Trends by Peter Schaefer

The New Direction Partners Printing & Packaging Stock Price Index



The New Direction Partners Printing & Packaging EBITDA Trend



It is important to note that private businesses typically sell for lower EBITDA multiples than the multiples of their publicly-traded counterparts due to private company status and a lack of liquidity as well as size and risk differential.

Places to See NDP

- ▶ Jim Russell and Peter Schaefer will be presenting at Americas Print Show 22 in Columbus OH, August 17 - 19, 2022.
- ▶ The entire NDP team will be attending PRINTING United in Las Vegas, NV October 19-21, 2022.



8 Mega Trends Driving Success in the Printing Industry
August 17 at 9:15 a.m.



Jim Russell
Partner - NDP

Recent Webinars

- ▶ NAPCO hosted a recent webinar “8 Mega Trends Driving Success In The Printing Industry”, presented by Peter Schafer and Jim Russell.

In a highly competitive industry, printers must focus on two things to succeed: efficiency and growth. The first delivers a better bottom line; the second produces a more robust top line. In this session, New Direction Partners experts will share what they have found to be the 8 mega trends driving success for printing companies, providing insight to owners and managers about how they can ensure enduring success in their own businesses. This includes:

- ▶ Operating as efficiently as possible
- ▶ Investing in technology
- ▶ Maintaining a healthy balance sheet
- ▶ The role of mergers and acquisitions
- ▶ ... and more

Don't miss this important webinar. The future of your business may depend on it. [View presentation here.](#)

- ▶ PIA Mid America hosted a recent webinar “Manage Your Customer Concentration”. While too much customer concentration can be risky, there are also advantages to embracing your strategic success.

Customer concentration is occurring more frequently today, especially in family-owned firms. This is the result of customer-focused and solution-selling sales strategies.

Paul Reilly and Jim Russell from New Direction Partners discuss how to manage customer concentration risks for profitable growth. Topics include:

- ▶ Managing customer departure risks
- ▶ Leveraging customer concentration for business growth
- ▶ Concentration considerations in mergers & acquisitions

[View Presentation here.](#)

- ▶ Association for PRINT Technologies hosted a recent webinar “A Creative Approach to Selling Your Business: Capitalizing on the Latest M&A Trends”.

Are you thinking about selling your printing, packaging or display graphics company? As M&A experts in the printing, packaging and display graphics industries, Peter Schaefer and Jim Russell of New Direction Partners will be discussing the steps potential sellers need to be taking as they plan for a sale. With many years of experience in this area and having facilitated more than 300[CSI] industry mergers and acquisitions, New Direction Partners has its finger on the pulse of the latest trends, opportunities and barriers in what is arguably one of the most dynamic M&A environments we have seen in many years. In this session, you will learn:

- ▶ The steps potential sellers should be taking to prepare their companies for sale;
- ▶ The different types of buyers who are active in M&A in the printing, packaging and display graphics industries;
- ▶ The types of deals we are seeing and how they are structured; and
- ▶ How best to translate all of this to your decision-making process.

Even if you don't see a sale on your immediate horizon, this session will provide you with valuable information and insight about the best ways to position your company so you are better prepared if and when that time comes. [View presentation here.](#)

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- ▶ GAA & PIA Alliance hosted a webinar, “Successful Succession Planning...Is the Future of Your Business Secure?”, presented by Peter Schaefer.

One of the most often overlooked aspects of strategic planning is succession planning. When you are looking for an exit strategy, area ready to hand off the business to other family members and head for the beach, or face unforeseen circumstances, having a strong succession plan in place is critical. And it can take several years to execute on that succession plan. In this session, participants will learn about the key elements of the plan to successfully transfer leadership and ownership of a printing and packaging firm, typical timelines, and strategies for ensuring optimum valuation. The program focused on:

- ▶ Key elements of a succession plan.
- ▶ Exit strategy timelines.
- ▶ Leadership and Ownership changes.
- ▶ Ensuring bench strength.
- ▶ Valuation methods.
- ▶ [View presentation here. Password: 5YC51g.s](#)

-
- ▶ GAA and PIA Alliance hosted a webinar “10 Attributes of High-Growth Companies” presented by Peter Schaefer.

In a highly competitive industry, printers must focus on two things to succeed: efficiency and growth. The first delivers a better bottom line; the second produces a more robust top line. In this session, New Direction Partners experts shared what they have found to be the 10 attributes of high growth printing companies, providing insight to owners and managers about how they can ensure high growth in their own businesses. This includes:

- ▶ Ensuring the right sales and sales management strategies.
- ▶ Putting in the time and effort to create and execute on actionable business plans.
- ▶ Ensuring accountability within the organization for achievement of strategic and tactical goals.
- ▶ The role of mergers and acquisitions
- ▶ ... and more
- ▶ [View presentation here.](#)

▶ GLGA hosted a webinar “Profit Matters Webinar – Managing Customer Concentration in Today’s Printing and Packaging Environment” presented by Tom Williams and Peter Reilly. Customer concentration is occurring more frequently today, especially in family-owned firms between \$5 million and \$75 million in sales. This is the result of the successful outcome of a customer focus/solution selling sales strategy. While too much customer concentration can be risky, there are also advantages to embracing your strategic success. Our experts provide insight into how to manage customer concentration risks for profitable growth. During this session, attendees learned:

- ▶ Managing customer departure risks
- ▶ Leveraging customer concentration for business growth
- ▶ Customer concentration considerations in mergers & acquisitions... and more
- ▶ [View presentation here.](#)

▶ NAPCO hosted a webinar on “M&A Trends in Print & Packaging” Presented by New Direction Partners’s Paul Reilly. The webinar covered what is happening in today’s M&A market. Today’s transaction structures are different from just a few years ago in response to a restructuring industry. Participants learned why an acquisition strategy has never been more important and what types of transactions are occurring. They also covered the details of these various types of transactions in order to make better decisions for their own businesses. The experts from New Direction Partners also talked about the current M&A market, why now is a good time for these transactions, and how long the market might remain strong. They will also share real life examples of things gone right, and a few that have gone wrong, from the many transactions they seen over time. The presenters also outlined EBITDA ranges that affect the value of businesses being sold and how to enhance that value. [View Archive.](#)



Featured Listings

Firms for Sale

▶ Integrated Marketing Company Located in the Southeast

NDP represents a growing marketing partner specializing in one-to-one and conventional consumer communications strategically located in a thriving market in the Southeast. The Company works with blue-chip brand innovators to provide fully integrated marketing across all relevant marketing and execution channels, including variable digital and conventional print, e-mail and mobile communications, and web-to-print software for e-commerce-enabled storefronts, Sales and EBITDA of \$11 million and \$1.5 million, respectively.

Contact:

Peter Schaefer @ PSchaefer@NewDirectionPartners.com or by phone at 610-935-1000.

▶ For Sale Marketing Service Provider located In Western US

Our client specializes in working with multi-location companies and franchisors in providing a broad variety of marketing material. The Company offers offset, digital and wide format printing along with graphic design and extensive direct mail capabilities. Total revenue in FY2021 was approximately \$4.2M and it employs 29 individuals. The majority of its customers are located throughout the United States. The Company was established in 1979 and ownership wishes to retire and is willing to remain with the Company through a reasonable transition period.

Contact:

Joe Polanco @ JPolanco@NewDirectionPartners.com or by phone at 214-336-8586.

▶ Offset & Digital POP, Signage and Fulfillment Operation

Our client is the premier printer in the Southeastern United States for large format UV offset printing with facilities located in a major Southeastern metro area, specializing in Point-of-Purchase and collateral retail marketing materials. The firm serves all their client's retail environmental printing needs, including Point-of-Purchase displays, banners, clings and more. This offering provides a unique opportunity to acquire a technologically competitive digital printing and fulfillment operation in a major business center within the fastest growing regional economy in the country.

Contact:

Tom Williams @ TWilliams@NewDirectionPartners.com or by phone at 203-856-0120.

▶ Midwest Commercial Printer

Located in a very desirable midwestern four season resort community with a high quality of life, the company has been in business for over 30 years and has no client concentration. The company successfully markets to the trade throughout the Midwest and beyond, and has a long history of stable sales to their loyal client base. Unique capabilities includes die-cutting, foil stamping, pocket folders, and various binding capabilities just to name a few. With a strong balance sheet, and a loyal customer base, and revenue in the \$1.5 million range, this is a great opportunity for an owner/operator to own their own business or for an existing company to expand geographically.

Contact:

Jim Russell @ JRussell@NewDirectionPartners.com or by phone at 248-891-6992.

▶ Marketing Service Provider Located in the Upper South Region of the Eastern U.S.

With roots dating back to the 1930's, this Company has grown and evolved to be the dominant MSP in their region, providing their diverse customer base with print, apparel and signage for all aspects of their business. The Company successfully utilizes a "hub and spoke" model for meeting customer needs across a broad region and over 1/3 of their revenue comes from embroidery and apparel sales. The Company has annual revenue of \$10 million, and EBITDA of \$1.5 million. The owner desires to sell in order to diversify his investments. The Company has a long-standing general manager in place who desires to remain with the business long-term.

Contact:

Jim Russell @ JRussell@NewDirectionPartners.com or by phone at 248-891-6992.

▶ Premier Printer for Offset Printing

Our client is a premier printer for offset printing, digital wide & grand format printing, graphic design and mailing with facilities located in a major SE metro area. This firm is a family-owned who's core specialty of offset printing has been supplemented with additional products and services focused on providing marketing solutions for their clients, including point-of-purchase and collateral retail marketing materials, brand and corporate identity, graphics and signage designs, brochures and marketing materials.

Contact:

Tom Williams @ TWilliams@NewDirectionPartners.com or by phone at 203-856-0120.

- ▶ **Fast-Growing Western Packaging Company**
NDP represents an incredibly fast growing (double-digit organic growth each year) producer of folding cartons and other specialized packaging and printed products. The Company is located in the Far West and generates revenues and EBITDA of \$30 million and \$7 million, respectively.

Contact:

***Peter Schaefer @ PSchaefer@NewDirectionPartners.com
or by phone at 610-935-1000.***

- ▶ **Upper Midwest Commercial Printer**
Located in the Upper Midwest, this commercial printer has revenue north of \$6 million and is the go to printer in the communities they serve. The company has continually invested in the latest technology, enabling them to meet their customers' needs in a fast, efficient manner. In house capabilities include offset, digital, large format, mail, fulfillment and design. This is a great opportunity for a printer to expand in to new markets, or for an individual with industry experience to purchase their own business.

Contact:

***Jim Russell @ JRussell@NewDirectionPartners.com
or by phone at 248-891-6992.***

- ▶ **Southeastern US Label and Packaging Company**

The company has been in business for 35 years and serves a number of highly desirable, niche markets including medical device manufacturing, military and the food and beverage industry. Revenue is north of \$4 million and EBITDA in the \$550,000 range. While the current customer base is has a long history with the company, and includes many recognizable names, there is also significant opportunity for growth by both expanding the volume in existing clients and taking advantage of the growth within the geographic region being served.

Contact:

***Jim Russell @ JRussell@NewDirectionPartners.com
or by phone at 248-891-6992.***



Firms Seeking Acquisitions

► Buyer Seeks Short Run Publication Printers

A national producer of short-run publications and other printed products, seeks to purchase similar operations nationwide.

Contact:

**Tom Williams @ TWilliams@NewDirectionPartners.com
or by phone at 203-856-0120.**

► Looking for Agency and/or Direct Mail Firm

Client in the New England market is seeking to purchase or partner with a digital agency, printer or direct mail company. Interested in a firm that might compliment or be interested in a partnership / buy in to current operation. Client is profitable and has a strong, successful sales team with an aggressive client listing active in the direct mail/fundraising arena.

Contact:

**Jim Tepper @ JTepper@NewDirectionPartners.com
or by phone at 508-523-9033.**

► Atlanta Client Seeks Strategic Acquisition

Our client is a recognized firm approaching 50 years of experience with innovative technology applications and unmatched customer loyalty seeks digital, offset, label and large format companies within the proximity of Atlanta, GA.

Contact:

**Randy Camp @ RCamp@NewDirectionPartners.com
or by phone at 770-601-0199.**

► Buyer Seeks Digital Print Provider on the West Coast

West Coast forms/document specialist is searching for a digital print provider to compliment their existing sales/markets. Our client has ample capital and a desire to move quickly. The ideal firm with have sales in the \$5 million to \$10 million range.

Contact:

**Jim Russell @ JRussell@NewDirectionPartners.com
or by phone at 248-891-6992.**

► Buyer of New England Commercial Printers

Client seeks purchase of commercial printers, mailing and fulfillment providers or marketing agencies in New England. Seeking firms with strong sales and production staff and a history of serving the corporate, institutional, and organizational markets. Poised for a quick transaction with capacity and funding in place.

Contact:

**Jim Tepper @ JTepper@NewDirectionPartners.com
or by phone at 508-523-9033.**

► Buyer of Commercial Printers within 100 Miles of Philadelphia

Client seeks purchase of offset/digital printers or mailing entities located within 100 miles of Philadelphia.

Contact:

**Peter Schaefer @ PSchaefer@NewDirectionPartners.com
or by phone at 610-935-1000.**

► Buyer of Digital and Direct Mail Firms within 150 Miles of New York City

Client seeks to purchase digital printers and direct mail/ mailing firms located within 150 miles of New York City. The ideal target will be profitable with revenues in excess of \$8.5 million.

Contact:

**Peter Schaefer @ PSchaefer@NewDirectionPartners.com
or by phone at 610-935-1000.**

► Buyer Seeks Wide and Grand Format Printer

A national producer of wide and grand format digital printed products, including textiles, seeks to purchase a manufacturing operation, preferably in the Southeastern US.

Contact:

**Tom Williams @ TWilliams@NewDirectionPartners.com
or by phone at 203-856-0120.**

► Label Firm Seeking Strategic Add-ons

Our client seeks to purchase Label firms anywhere in the US. Our client is well capitalized, conservatively managed and looking to grow its national footprint. The ideal target will be profitable with revenues of \$10 million or less.

Contact:

**Paul Reilly @ PREilly@NewDirectionPartners.com
or by phone at 303-520-7803.**

Sandy Alexander Turns to New Direction Partners for Acquisition Advice

Printing firm Sandy Alexander has been an industry leader for 60 years supporting high end clients with high-end marketing needs, and its current CEO, Mike Graff, has been part of the company's success for a little over half that time.

Recently, a mutual acquaintance introduced Sandy Alexander to Snow Peak Capital, and the result was a majority investment in the iconic firm. Graff states, "Our principle here is you have to have the correct chemistry and working relationship before you can do any sort of integration in business. After spending time with Snow Peak principals, we felt we had strong chemistry with them and were very aligned in principle and outlook, and the strategy for doing business. The more we learned, the more we liked them. So we marched down the aisle together."



A transaction of this nature is not trivial for either party, and Graff knew he needed support from an M&A expert. Sandy Alexander chose to work with New Direction Partners, an M&A firm specializing in the print and packaging industries. He says, "I have known Peter Schaefer and others at New Direction Partners for a many, many, many years. It was a natural selection for us. They're experts in what they do, and they're very well connected. They have a realistic view of the marketplace, and they were invaluable both to the buyer and seller here."

Graff notes that prior to committing to New Direction Partners, the company did its due diligence and spoke with a couple other firms that were recommended. "In the end analysis, there was no comparison. With other firms we spoke to, we were teaching them the industry as opposed to them helping us in the industry. And you don't need to spend time doing that. New Direction Partners is the preeminent investment firm in our space. I'm sure we will work with them again as and when we explore future acquisitions."

Graff's advice to his peers who might be considering selling their firm or acquiring one? "Do your homework. Make sure your business is in order. The due diligence process is a long one, and it's something that New Direction Partners is well-positioned to help guide you. But be prepared and be flexible."

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.

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