

# NEW DIRECTION

## PARTNERS

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

The entire New Direction Partners team will be at PRINTING United. To schedule a confidential one-on-one meeting, please email us at [info@newdirectionpartners.com](mailto:info@newdirectionpartners.com), or visit our [website](#) for individual contact info.

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

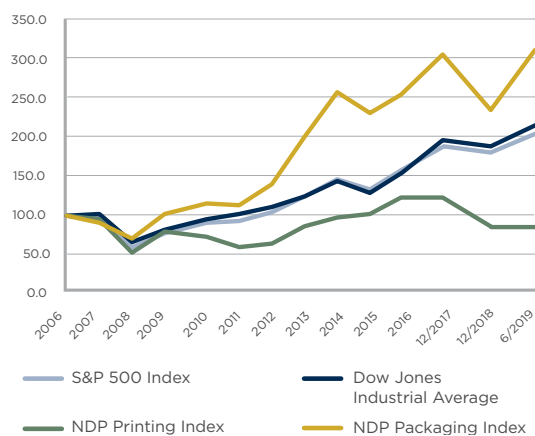
New Direction Partners, the leading middle market investment banking firm in the printing and packaging industries, has recently completed the following transactions:

- ▶ Sale of Holland & Crosby Ltd. to publicly-traded Transcontinental. New Direction Partners represented the seller.
- ▶ Sale of 2D divisions of SoftPrint Holdings to Reischling Press Inc. (RPI). New Direction Partners represented the seller.
- ▶ In an unannounced transaction, a PE firm acquired a package printer. New Direction Partners represented the seller.
- ▶ In an unannounced transaction, a NYSE publicly traded packaging firm purchased a controlling interest in a privately-held packaging entity. New Direction Partners represented the seller.
- ▶ Sale of Sprint-Denver to Mittera Group. New Direction Partners represented the seller.
- ▶ Sale of Allied Bindery to a private Party. New Direction Partners represented the seller.
- ▶ Sale of Henry Wurst, Inc. Kansas City Division to Mittera. New Direction Partners represented the seller.
- ▶ Sale of Prographics to Drummond Press. New Direction Partners represented the buyer.
- ▶ New Direction Partners assisted SoftPrint Holdings, Inc. in the raising of growth investment funding through a private placement of a Convertible Debenture.
- ▶ Allen Datagraph Systems was purchased by a Private Party. New Direction Partners represented the Seller.
- ▶ Sale of Badger Press Photographic to Brookstone Printing. New Direction Partners represented the seller.
- ▶ Sale of FLM Graphics to Phase 3 Media Corporation. New Direction Partners represented the Seller in this transaction.
- ▶ Sale of Screen Works Inc. to an Individual Buyer. New Direction Partners Represented the Seller.
- ▶ Sale of Gooding Company, Inc. to Nosco Inc. New Direction Partners Represented the Seller.
- ▶ Sale of Tepel Brothers Printing to The Vomela Companies. New Direction Partners Represented the Seller.

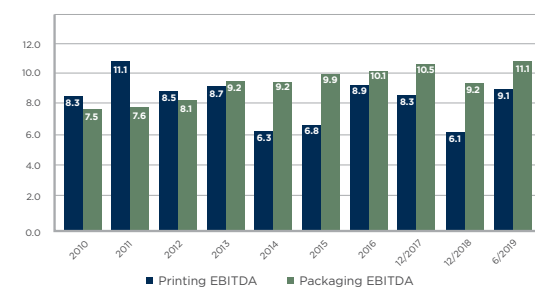
- ▶ Sale of McArdle (a wholly-owned subsidiary of Bloomberg BNA) to Corporate Press. New Direction Partners represented the seller.
- ▶ Sale of Halm Industries to W&D Machinery. New Direction Partners represented the seller.
- ▶ Purchase of MHG by Michael Murphy. New Direction Partners represented the buyer.
- ▶ Sale of Consolidated Press to KP Corporation and Gemini Investors. New Direction Partners represented the Seller.
- ▶ Sale of ASAP Printing Corporation to 4over, Inc. 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 Paul Reilly will be attending the annual FLAG meeting in Rochester NY October 16-17.
- ▶ Peter Schaefer will deliver an education session on Solution Selling at PRINTING United.
- ▶ The entire New Direction Partners team will be attending PRINTING United, scheduled for 23-25 October in Dallas. To schedule a meeting at the show or before, please email [info@newdirectionpartners.com](mailto:info@newdirectionpartners.com) or visit [www.NewDirectionPartners.com](http://www.NewDirectionPartners.com) to directly contact a specific Partner or Director.
- ▶ Jim Russell will be presenting “Ten Attributes of High Growth Companies” at PRINTING United’s Graphic Production Luncheon.
- ▶ Paul Reilly will be presenting a session “Megatrends Driving the Printing Industry” at the Spire 2020 Conference in Scottsdale, AZ February 17.
- ▶ Paul Reilly and Jim Russell will be attending GOA February 27-29 in Miami, FL.
- ▶ Paul Reilly, Peter Schaefer, Jim Russell, Tom Williams and Jim Tepper will be attending a printing industry mergers & acquisitions symposium scheduled for March 19, 2020 at the Newark Liberty International Airport Marriott, and jointly sponsored by the Printing Industries Alliance and the Graphic Arts Association. Stay tuned for more details.

## Recent Webinars

New Direction Partners experts present frequent web sessions in partnership with associations, publications and others. Some have no cost associated with them; others carry a small fee for non-members of the organization. We invite you to listen to some of our recent educational sessions and contact us at [info@newdirectionpartners.com](mailto:info@newdirectionpartners.com) with questions or for additional information!

- ▶ NAPCO hosted a webinar “Succession Planning”, presented by Paul Reilly and Tom Williams. One of the most often overlooked aspects of strategic planning is succession planning. When you are looking for an exit strategy, are 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.](#)

- ▶ PPI Association hosted a webinar “10 Attributes of High-Growth Companies” presented by Paul Reilly and Tom Williams. 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 share 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.](#)

- ▶ SGIA hosted a webinar “Emerging Technologies: Differentiation is Returning”. Paul Reilly & Joe Polanco were the presenters. This seminar described the newest technology being employed by forward leading printing firms that allow them to grow and increase the “stickiness” of major accounts. The program also focused on: Technology attributes; application examples; and, how to start down this road. [View presentation here.](#)

- ▶ SGIA hosted a webinar “What Your Momma Didn’t Tell You about BHRs”, presented by Tom Williams and Joe Polanco. During the 20th century, using budgeted hourly rates (BHRs) to develop pricing was the de-facto methodology – as it had been in the 19th century. 21st century MIS applications continue to use this cost accounting approach. Yet, because today’s print provider competes in an ever-changing marketplace and continues to add new products, it’s time for a fresh look at budgeted hourly rates. In this session, our presenters will challenge our industry’s focus on using “costs” to develop prices. Upon the completion of the webinar, the participant will have a better understanding of Budgeted Hourly Rates and how to utilize them in improving market share as well as profitability.

[View presentation here.](#)

- ▶ PIA-MidAmerica hosted a webinar “Trends in Today’s M&A Print Environment”. 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.

[For access to this webinar, please contact Teresa Campbell.](#)

- ▶ SGIA hosted a webinar “Calculating Ownership Costs and ROI” Paul Reilly and Thomas Williams shared essential strategies for any printing business! “Sure, you want to make that technology upgrade, but can your business really afford it?” Attendees learned to calculate the ownership costs for equipment, and determined their return on investment.

[View presentation here.](#)

- ▶ NAPCO recently hosted a webinar: “10 Attributes of High Growth Companies” 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 share 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](#)

- ▶ Paul Reilly and Peter Schaefer presented a Dscope hosted webinar on “Managing Customer Concentration In Today’s Printing And Packaging Environment” 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. The program focused on:

- ▶ Managing customer departure risks
- ▶ Leveraging customer concentration for business growth
- ▶ Customer concentration considerations in mergers & acquisitions
- ▶ ...and more!

[View the presentation here.](#)

- ▶ Dscope hosted a webinar with Joe Polanco and Paul Reilly and “Creating the Perfect Sales Compensation Plan”. Sales are the life blood of any organization, and it’s no different for print providers who compete in the dynamic ever-changing world of communication. The 21st century sales rep must understand the broad range of solutions offered by today’s print/marketing provider and how those solutions help a client’s business. Just as important is management creating a sales compensation plan which creates the right incentives for growth and balances it with the company’s profitability.

In this presentation, explored the various compensation methods used in the industry and discuss the strengths and weaknesses. Commission, salary-based plans, value added, and hybrid plans were covered in this quick moving session along with key points in creating the “Perfect Plan.” This session discussed:

- ▶ Which Plans are commonly used in the industry – and are successful.
- ▶ Changing compensation strategies reflecting changing product mix.
- ▶ Balancing incentives with profitability
- ▶ Why matching individuals with right plan is more crucial than ever.

Download the presentation [here](#) or view the webinar archive [here](#).

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- ▶ 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 shared 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](#).

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- ▶ Jim Russell and Al Reijmer presented a webinar hosted by GLGA on “GLGA’s latest Profit Matters webinar – the Great Lakes Graphics Association’s effort to address all issues regarding profitability in the print industry in a session entitled Are You a Buyer or a Seller?”

In today’s print market, organic growth is hard to come by. In an industry that is still contracting, and with buyers and marketers who have less time to meet with new vendors (your sales people), organic growth is a serious challenge for most printing companies and their sales teams. For the last few years, the team at New Direction Partners has been advising that printers who are struggling with organic growth should be either a buyer or a seller... And that is still the case today.

Which one should you be? Is your company positioned properly to effectively manage a “tuck in” of new business and grow through acquisition, or should you be considering the sale of your company to another firm better positioned to help you grow your revenue? And if so, how do you determine your company’s value. Takeaways from this session included:

- ▶ Identify the key traits and characteristics of businesses that should be buying other companies
- ▶ Learn which types of businesses might be better suited to merging with or selling to a friendly competitor
- ▶ Find out how values are determined in those transactions, and
- ▶ End with a few guidelines for ensuring your business has the best value
- ▶ [View Archive](#)

## Upcoming Webinars

- ▶ GLGA will host the following webinar:
  - ▶ Profit Matters – Managing Customer Concentration in Today’s Printing and Packaging Environment. December 3. [Register Here](#).
- ▶ Graphic Arts Association will host the following webinar:
  - ▶ 10 Attributes of High Growth Companies Dec. 10. [Register Here](#). (Free to GAA members)

# Featured Listings

## Firms for Sale

### ▶ East Coast – Marketing Service Provider

Our client has consistently been a leader in its eastern US local print media market. The key drivers of its success continue to be investments in equipment technology, investments in software facilitating customer interface technology and acquisitions. The firm serves as a marketing partner to its customer base, which is comprised of national and local firms seeking the best in marketing solutions. Its mission is to provide comprehensive marketing solutions to its clients first by listening to their needs and then by striving to flawlessly execute their marketing visions.

**Contact:**

*Paul Reilly @ [PREilly@NewDirectionPartners.com](mailto:PREilly@NewDirectionPartners.com)  
or by phone at 303-520-7803.*

### ▶ Technology Leader in the Manufacturing and Sales of Digital Label Systems, Plotters, Cutters & Recording Devices

Located in the Northeast, our client develops and manufactures products and systems based on innovative technologies. Its primary business is the design and manufacture of a full line of unique on demand, short run digital label printing and finishing systems which are marketed to an international client base. The company designs and manufactures related hi-tech equipment for niche industries including laser engraving systems and digital stencil cutters for the monument industry, digital template cutters for the granite countertop fabrication industry, automated sand blast systems for the production of designs in granite, marble, glass, wood and other solid-surface materials as well as informational instrumentation utilized in multiple industrial and medical applications.

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or by phone at 203-856-0120.*

### ▶ Multi-Channel Marketing Partner

A marketing execution company that serves a national base of Fortune 500 type, brand conscious customers from its strategic Midwest location. TTM revenues of approximately \$21.5 million and EBITDA of \$3.0 million. Top line organic growth in excess of 20% YTD 2019.

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or by phone at 610-935-1000.*

### ▶ Mountain States Screen Printing, Embroidery, & Promotional Products Firm

This profitable screen printing firm has a solid record of growing sales and profitability and is highly regarded for its diversity of services as well as its quality and customer service. Located in the Mountain States region, and with its diversification of clients and products, its customers should be very attractive to firms seeking to absorb sales into existing operations for rapid growth and expand their current sales base. Currently operating in a leased, modern facility, and, with a full management/production team in place, this firm also offers the opportunity to continue in-place with 3 years left on the current lease. Synergies are readily available to provide great economics for this transaction. This profitable screen printing firm has a solid record of growing sales and profitability and is highly regarded for its diversity of services as well as its quality and customer service. Located in the Mountain States region, and with its diversification of clients and products, its customers should be very attractive to firms seeking to absorb sales into existing operations for rapid growth and expand their current sales base. Currently operating in a leased, modern facility, and, with a full management/production team in place, this firm also offers the opportunity to continue in-place with 3 years left on the current lease. Synergies are readily available to provide great economics for this transaction.

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Jim Tepper @ [JTepper@NewDirectionPartners.com](mailto:JTepper@NewDirectionPartners.com)  
or by phone at 508-523-9033.*

### ▶ Publications Printer

Our client is a leading, response-oriented short- to medium-run publication printer strategically located in the South-Central region of the United States with TTM revenues of approximately \$30 million and EBITDA margin of 17%. The Company is anticipated to grow organically by 7% in 2019.

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or by phone at 610-935-1000.*

▶ **Midwest Based Commercial and Digital Printer**

Very Profitable general commercial printer with sales of \$8 million and no significant client concentration. Located in a mid sized midwestern city, the company has expanded its market by successfully marketing to the trade throughout the Midwest. With a strong balance sheet, up to date equipment, and a loyal customer base, 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](mailto:JRussell@NewDirectionPartners.com)  
or by phone at 248-891-6992.*

▶ **Midwest US Book Printer**

The company is a well-respected midwestern U.S. based book printer with \$15 million in annual revenue and EBITDA in the 8-10% range. The company serves a diverse range of clients, and has long-term contractual relationships with three of their top five clients, providing a solid base of business year after year. The company also has strong management who desire to remain with the company post-sale.

**Contact:**

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or by phone at 248-891-6992.*

▶ **Southeastern Printing, Packaging, P.O.P. and Direct Mail Operation**

Our client's state of the art pre-press, printing, advanced coating and finishing capabilities contribute to this company's superior reputation for high-end products. Complex multi-dimensional specialty pieces are produced with speed and efficiency. Each division, Commercial Printing, Packaging, Direct Mail, Fulfillment and P.O.P. Display, is focused to provide customers a competitive edge. Products include general commercial printing, folding cartons, point-of-purchase displays and sophisticated personalized direct mail design, data management and production. Capabilities include the ability to produce heat-transferred materials for the garment and fashion industries up to 60 by 81 inches. Revenue exceeds \$30 million.

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or by phone at 203-856-0120.*

▶ **Midwestern Packaging Partner**

Our client designs and manufactures both boxes and folding cartons. Products include candy boxes, gift boxes, cosmetic boxes, complete folding cartons and gameboards. Revenues of this highly profitable firm are approaching \$10 million.

**Contact:**

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or by phone at 610-935-1000.*

▶ **National E-Commerce Web-to-Print Provider**

Our Client is a privately-owned company located in the Mid-Atlantic region. Their E-Commerce web-to-print online portal supports all types of products including commercial print, promotional products, inventory fulfillment, packaging and more. Our client employs both digital and conventional printing methods. Its proprietary portal is designed to support multi-plant operations. Customer portals can include a subset of generic products but also can include custom products. Customer portals can be easily branded to compliment or match their brand. With a sophisticated e-commerce operating platform, robust marketing capabilities and technically advanced production capabilities, this is a highly desirable property.

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or by phone at 203-856-0120.*

▶ **Southeastern Print Solutions Provider**

Our client is an established, high-growth print solutions firm located in the Southeast region of the United States. The firm's strong year over year growth has been fueled by leveraging their core competencies of quality craftsmanship with 21st century technology to create a sustainable competitive advantage in the commercial printing marketplace. While high-end printing is at the heart of the company, they are a true end-to-end solution provider. From pre-press services to optimized manufacturing processes through on-demand fulfillment, the company offers their customers a complete communication package without the hassle of coordinating across several smaller firms.

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▶ **Central Texas Print Provider**

Our client is located in Central Texas and is one of the largest full-service commercial printing operations in this rapidly growing region of Texas. Sales in FY 2018 were \$10.3 Million, with Fortune 500 companies comprising a major portion of its client portfolio. Along with state-of-the-art prepress capabilities, the firm offers its clients a broad range of services including offset and digital print, plus variable data print, data processing, direct mail, fulfillment and warehousing services. The Company is family owned, holds minimal debt, and is profitable.

**Contact:**

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or by phone at 214-336-8586.*

▶ **Digital Book Printer**

The Company is a leading, response oriented digital book printer located in the Midwest. The Company's platform provides customers with the ability to print short run lengths more efficiently and cost effectively. All of the Company's revenues are generated via the Internet, eliminating the need for any sales representatives. The Company has grown each year to its current level of \$5 million in revenues and an extremely impressive EBITDA margin in excess of 30%. It has been exceptionally profitable each year.

**Contact:**

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▶ **Highly Differentiated Omnichannel Marketing Partner**

Strategically located in the Midwest, the Company specializes in one-to-one communications by providing fully integrated marketing across all relevant channels including variable data inkjet print, personalized websites and interactive video. Its services encompass the entire cross media life cycle, including design through creation through personalized media solutions. The business has generated outstanding organic growth with unparalleled profitability. Revenues are approximately \$20 million with an unadjusted EBITDA margin in excess of 30%.

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▶ **Southeastern Packaging, Label & Commercial Printing Marketing Services Provider**

Our client is a privately-held marketing services provider specializing in the manufacture of folding carton packaging, commercial printing and flexographic labels. For over 25 years, their dedicated team has delivered award-winning, customer-centric, print and packaging solutions. The firm operates a state of the art facility with over 70,000 square feet of manufacturing and fulfillment space in a major Southeastern city. They offer a wide range of in-house capabilities and marketing services, integrating print with a variety of electronic correspondence, social media and mobile technologies. Annual revenue exceeds \$15 million.

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▶ **West Coast Grand Format Printer**

The Company serves as a marketing partner to its customer base which is comprised of Fortune 500 type brands and retailers. Services include grand format, digital and offset production as well as cross-channel design, complete fulfillment/kitting and store-tracking. Operates in 150,000+ square feet with 125 employees. Revenues and EBITDA are approximately \$30 million and \$3 million, respectively.

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## Firms Seeking Acquisitions

### ▶ 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.

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or by phone at 303-520-7803.*

### ▶ 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.

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### ▶ Buyer of New England Commercial Printers

Client seeks purchase of commercial, speciality, mailing and marketing printers/agencies throughout New England. Seeking firms with strong management, 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](mailto:JTepper@NewDirectionPartners.com)  
or by phone at 508-523-9033.*

### ▶ Buyer Seeks Wide and Grand Format Printer

A national producer of Wide and Grand Format digital printed products seeks to purchase a manufacturing operation preferably in the Southeastern United States.

**Contact:**

*Tom Williams @ [TWilliams@NewDirectionPartners.com](mailto:TWilliams@NewDirectionPartners.com)  
or by phone at 203-856-0120.*

### ▶ 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.

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or by phone at 610-935-1000.*





## Ten Years of Enabling Life-Changing Events for Print Business Owners

In 2019, New Direction Partners is celebrating its 10th anniversary, although many of the nine professionals that are partners or directors in the business have been involved in mergers & acquisitions much longer. In fact, this group of nine M&A professionals has had a hand in over 300 mergers and acquisitions in the printing and packaging industries since 1979.

When thinking about a merger or acquisition, we typically think about the financial dynamics of the deal and the effect on employees and locations. But there is also a life-changing component in many of these deals. Here are some heartwarming examples.

### Following the American Dream

Aditi Chavannavar immigrated to the United States after she earned a Master's Degree in Chemistry in her home country of India. Aditi finished her Ph.D., acquired a Green Card, met her husband and secured a great job at BASF as a chemist. Her husband is also a first-generation immigrant from India who came to the United States to get a Master's Degree in Mechanical Engineering, and works for GM. The couple has a two-year-old son.

"I love my job at BASF," Aditi says, "but we were interested in running our own company. We were looking for a business – not necessarily a printing business, but one that was run well, was profitable and had good principals in place and a good level of management. We searched for several years before we came across an ad for Allied in an online business site. It looked interesting, so we contacted Jim Russell, who had listed the business, to learn more."



Russell helped the couple work through all of the intricacies of acquiring a business and the deal was concluded. Aditi is excited about the future opportunities. She and her husband are following the American Dream – great examples of the terrific opportunities that America offers that can be hard to come by in many other parts of the world. [Read the full story.](#)<sup>1</sup>

## From Printing to Heirloom Tomatoes

Al Hutchison's grandfather founded Hutchison Allgood with Robert Allgood, and ultimately his father took over the business. Al returned home from a stint in the Marines to help run the business. "After a couple years, my dad took on a role managing special projects, and we worked well together. I ran the company, along with my wife, Linda, for about 20 years," he says.

But after two decades, Al and Linda wanted to pursue other things – they wanted to take up farming! "We wanted to establish a small, organic vegetable farm," Al says. "We are used to hard work. Small farming is just as hard as printing but closer to our heart. We were maintaining a front-yard garden after 60- to 80-hour work weeks and had been looking for the right property for a long time."



Al turned to New Direction Partners for help in finding a buyer.

"It was incredible working with Paul Reilly," he says. "Paul seemed to fit us the best and understood what we were trying to do. He was a mentor to us, helping us understand the right thing to do at the right time," he said. "He saw that we had something valuable, that we were making money, and positioned to continue making money based on a strategy rather than by outrunning someone by half a second. He helped us craft a message and present ourselves to buyers. We found a buyer that appreciated that value, and Linda and I were able to move on to what we wanted to do."

Now the Hutchison's are regulars at their local farmers market and have developed a following, including customers from their former printing company! They have a no-till organic garden with structures that allow them to grow year-round. One popular item is their heirloom tomatoes. "We have about 400 tomato plants in the summer," Al says, "all different varieties of heirloom tomatoes. It's one of the things that makes us stand out at the market." [Read the full story.](#)<sup>2</sup>

## Growth Through Regional Expansion

John and Alberta (Peaches) Drummond founded the Drummond Press in Jacksonville, Florida during 1939. In those tough economic times, John and Peaches worked tirelessly to build the business and provide for their family. John would sell printing during the day and run the press at night. Peaches would run the press during the day and care for their children at night.

The company is now run by John Falconetti, the founder's grandson, who represents Drummond's third generation leader and serves as Chairman and CEO of the business. In 2010, John Falconetti met Tom Williams, a partner at New Direction Partners, at an event during Graph Expo, and shared with him that he was looking to expand to the Atlanta market.

Working with Tom and New Direction Partners, Drummond was able to make three important acquisitions in the Atlanta market: Graphic Communications, Sunbelt Printing, and most recently, ProGraphics Communications "We went from zero to 60 in a very short time," Falconetti added. "We could not have done that without Tom's expertise, the relationships, the networking and the acquisition opportunities that came to us through him."

Today, Drummond's business has been consolidated into plants in Jacksonville FL, Atlanta GA and Detroit, MI. In 2010, when the company set out on this growth strategy, it had annual revenues of about \$12 million. In 2018, Drummond achieved a record \$48 million in annual revenue, with more than 45% year-over-year growth during the last fiscal year. [Read the full story.](#)<sup>3</sup>

## Working with an M&A Professional Adds Value Beyond the Deal

Two years ago, as part of a longer-term strategic plan, Bob Ebel began looking for a strategic buyer for his business, Universal Printing, with the ultimate goal of freeing himself up to spend more time pursuing some activities that were important to him while protecting his employees and shareholders.

"I have known Paul Reilly of New Direction Partners for many years, since he was CEO of Mail-Well (now Cenveo)," Ebel said. "He is well respected and well connected, and more companies will take his call than will take mine! It was an easy decision for me to engage Paul and his firm to look inside the printing industry for the right strategic acquisition for us. They brought more potential buyers to the table than I could have done on my own."

Looking back on the transaction two years later, Ebel not only validates that working with New Direction Partners was the right decision, but also notes that he got additional unexpected value from the relationship.



In recent months, having completed his commitment to the transition, Ebel has been providing consulting to another printing firm. This is where an unexpected value of working with Reilly came in. Ebel says, "Now that I am working with other companies, I find myself drawing on a lot of what I learned through the process with Paul. That was very valuable knowledge I would not have had if I had tried to sell my company on my own. I would only have known what I had direct experience with. Working with someone that is an expert in this field, and in this specific industry, has significant value beyond the deal itself." [Read the full story.](#)<sup>4</sup>

1. <http://newdirectionpartners.com/wp-content/uploads/2019/04/Following-the-American-Dream.pdf>

2. <http://newdirectionpartners.com/wp-content/uploads/2019/04/Hutchison-LinkedIn-Post.pdf>

3. <http://newdirectionpartners.com/wp-content/uploads/2019/05/New-Direction-Partners-Article-Drummond.pdf>

4. <http://newdirectionpartners.com/wp-content/uploads/2019/09/Working-with-an-M-A-Professional-Adds-Value-Beyond-the-Deal.pdf>

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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](http://www.newdirectionpartners.com).

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