

Gerald Printing and the Purpose Group Join Forces

By Cary Sherburne

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Key to the relationship are shared values regarding employees, customers and business operations.



Purpose GROUP

Gerald Printing was founded in 1971 by Larry Gerald, and Joe Davis purchased the company in 1996. Davis says, “At the time, the company was located in Scottsville, Kentucky, and we had about 27 employees and a great reputation for four-color process printing. 100% of production was print on paper.”

Davis had an opportunity to move the company’s headquarters to Bowling Green, Kentucky, in 2000, and took that opportunity to also acquire some smaller companies and begin diversifying Gerald Printing’s product lines. This included apparel decoration, both with screen printing and embroidery, as well as signs and promotional products. Davis notes, “These are products our customers were already buying, and we were then able to be more of a one-stop shop for them by providing those things ourselves.”

As the company continued to grow, and Davis was getting to the age where he needed to think about succession planning, he found that there were no family members interested in taking on the business should he retire. “We decided it was time to put the business on the market,” he said.



Davis worked with New Direction Partners’ Jim Russell to create a confidential information memorandum (CIM) and begin to talk to potential buyers. The business generated a significant amount of interest with potential buyers, and Davis wanted to narrow down the field to potential buyers who shared the same values and would take care of his employees and customers on an ongoing basis.

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Enter The Purpose Group

According to Jeff Hilimire, founder and CEO of the Purpose Group, which was founded in October of 2022 in Atlanta, the Fund was interested in firms that are a force of good in their communities, putting purpose into a business and able to rally a team around a bigger goal. They were searching for the first acquisition in the printing industry as an anchor firm upon which to build a larger platform. “We looked at more than 100 companies,” he says, “and Joe was the only person that led the conversation with their values. Fireworks went off in our heads, and we were trying to keep it cool. In fact, those values were listed on the second or third page of the CIM. No one typically puts values in a document like that; it’s usually focused on the financials, with everything up and to the right. As we got to know Joe and his team, we realized he has built a company that has a foundation in caring for each other and working for good in the community.”



Leveraging New Direction Partners’ M&A and Industry Expertise

Hilimire also praises the work that New Direction Partners’ Jim Russell did to help put the deal together, saying, “Jim is incredible. I think we have been spoiled that our first deal was with Joe and Jim. Jim’s a great guy, and you can sense his honesty and trustworthiness immediately. But what I appreciated the most was how he helped us get through the process. It was as seamless as it could possibly have been. That being said, there were a couple of issues right near the end, and Jim helped us steer through them. He has that calm presence. We hope we will be able to work with him again as we expand the platform.”

The Purpose Group: A Different Approach

Davis states, “One thing that was appealing to me personally about The Purpose Group, in addition to the respect they showed for our past performance and our numbers, was the fact that they are willing to put a substantial percentage of the purchase price in as equity as opposed to highly leveraging the transaction.”

Hilimire adds, “As Joe mentioned, no one in his family wanted to take on the business, and we are finding more and more of that. What we bring to the table is our goal of keeping the team intact and taking care of them. Most of our ‘competitors’ are private equity who have a very different model, a shorter window to make moves. That usually results in cutting a certain amount of staff and expenses, ramping up growth quickly, and merging the business with others to get to a sale in five to seven years. We prefer the long term. If we take care of the company, the results will follow. The trick for us,

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then, is finding companies that share our values and that are financially stable and healthy. We look to work with the owners in a way that they can see us as a better path forward for their company.

A Word of Advice ...

“I feel like we were truly blessed in getting to work with Joe and Jim. What I would say to sellers is that they will go through a process and package everything up, but try to be yourself. I would point again to Joe having Gerald’s

values early in the CIM document. He didn’t have to do that, but it felt natural for him. I don’t know if we’d be here had he buried that toward the back of the document.”

Davis adds, “In terms of advice to sellers, I would add that the first thing is to work on your numbers and reduce your debt. You also should develop your management team so you can have a smooth transition to a new owner. And I do recommend using a company like New Direction Partners. They have the connections, and you need to be looking at multiple opportunities to sell your business. Also important is being patient during the process. We did all we could to move the process along, and it was great working with Jeff and his team because they were very responsive. With Jim’s help, we were able to get decisions made and move on when issues arose, and we are very happy with the outcome!”

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.