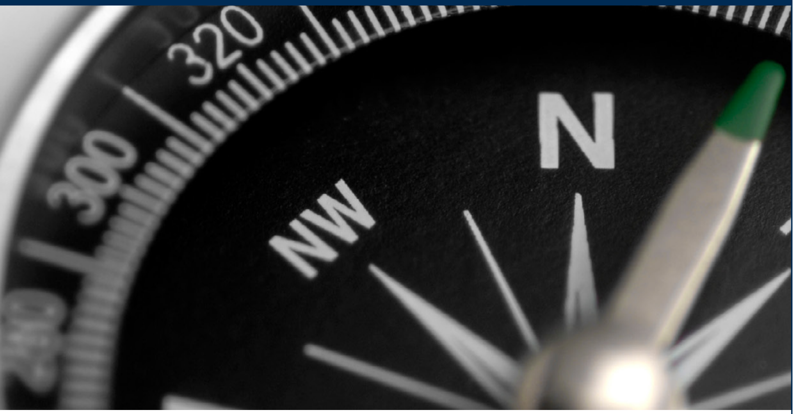
NEW DIRECTION PARTNERS

AXIAL

New Direction Partners is proud to frequently be recognized as a top performing investment bank by Axial, a platform for deal sourcing, deal marketing, and relationship-driven business development.



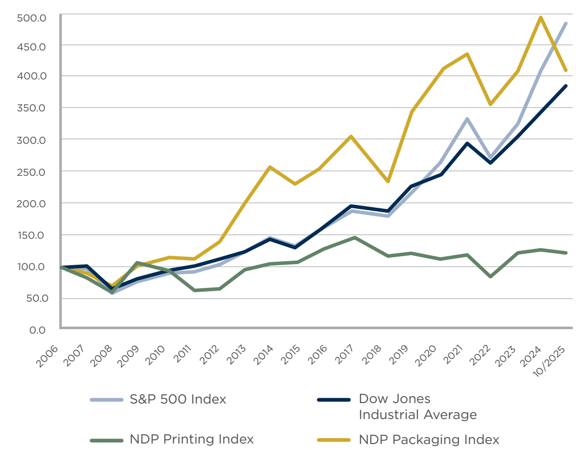
Recent Transactions

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

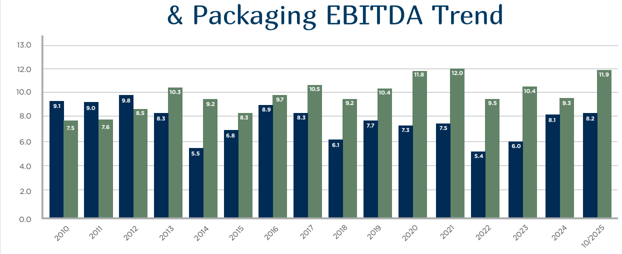
- Sale of Leatherback Publishing to an individual investor. New Direction Partners represented the seller.
- Sale of Honblue, Inc., Hawaii's largest printer, to individual investors. New Direction Partners represented the seller.
- Sale of Hyperformance Graphics to an individual investor. New Direction Partners represented the seller.
- Sale of Starkey Printing to Walker 360. New Direction Partners represented the seller.
- Sale of Anchor Graphics to Marketing.com. New Direction Partners represented the seller.
- Sale of Response Envelope to Marketing.com. New Direction Partners represented the seller.
- Sale of South African based First Impressions Labels (a division of Hirt & Carter) to All4Labels. New Direction Partners represented the seller.
- Sale of Gerald Printing and Liberty Imaging to Purpose Group. New Direction Partners represented the seller.
- Salem One was acquired by Granite Creek Capital. New Direction Partners represented the seller.
- Sale of Brant InStore Corporation to JAL Equity. New Direction Partners represented the seller.
- Sale of Abbott Communications Group to Sandy Alexander (Snow Peak Capital). New Direction Partners represented the seller.
- Sale of Southland Envelope to JAL Equity. New Direction Partners represented the seller.
- Sale of Knepper Press and Dual Printing & Mailing to JAL Equity. New Direction Partners represented the seller.
- Sale of Sandy Alexander to Snow Peak Capital. 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.

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.

Places to See NDP

- Peter Schaefer, Jim Russell and Tom Williams will be presenting at PRINTING United in Orlando Florida, Oct 22-24. The entire New Direction Partners team will also be at the show. To schedule a one-on-one meeting, email info@newdirectionpartners.com.
- Peter Schaefer will be presenting "Threading Value: M&A Strategy & Valuation for Apparel Decorators & Textile Printers" at the **Evolve Summit** on October 29th.

New Direction Partners PRINTING United Conference Sessions

- **How The "Haves" Are Transforming the Printing And Packaging Industries**
  Speaker: Peter Schaefer
  Scheduled for: Thursday, October 23, 2:00-2:50 PM, Room S320D

  The printing industry continues to transform into what New Direction Partners commonly refers to as the "haves" and the "have nots." During this seminar you will learn what the "haves" are doing today to position themselves for growth and profitability...and increase the value of their businesses for the long-term. The "haves" have reinvented themselves to become fully integrated communications companies, providing a wide array of products and services beyond print that inspire customer loyalty and "stickiness."

- **The Inside Scoop On Buyers Interested In Print And Packaging**
  Speakers: Jim Russell and Tom Williams
  Scheduled for: Wednesday, October 22, Room S320B, 3:00-3:50 PM

  Mergers & Acquisitions activity in the Printing & Packaging Industry is fueled by strong private equity (PE) and strategic interest. While PE has been active in the packaging space for a number of years, with multiple buyers engaged in significant roll-ups, both large and small, they are also active in commercial print and other industry segments.

- **The M&A Year in Review – And a lookahead into 2026**
  Speakers: Peter Schaefer and Jim Russell
  Scheduled for: Thursday, October 23, Room S320B, 11:00-11:50 AM

  Interest in mergers and acquisitions in the printing and packaging industries has been strong this year despite the unorthodox actions taken by the new Federal Administration. Both strategic and financial buyers are still attracted to the industry and have money to spend.

Upcoming Webinars

- Napco will host the following webinar “The M&A Year in Review – And a Look Ahead into 2026” on Thursday, November 6 at 2:00 PM EST. Register Here.

Recent Webinars

- NAPCO hosted a recent webinar, “2025 Update: Printing and Packaging Mergers and Acquisitions”, presented by Jim Russelll and Peter Schaefer. They offered a quick review of the M&A environment for printing and packaging mergers and acquisitions, as well as a 2025 outlook, including macro and micro economic data, types of companies most likely to sell in 2025, and a review of the types of buyers in the market for these businesses. In this session, you will learn:
  - How 2024 was a good year for M&A in our industry.
  - What the economic environment looks like for 2025.
  - What types of companies are likely to be most attractive to buyers in 2025 and why.
  - How companies should approach valuation to create a realistic offer to the market.
  - How to plan for a future purchase or sale and anticipated timeframes for a transaction to close.
  - How New Direction Partners can help.

  View presentation here

- NAPCO hosted a recent webinar “Looking Ahead: The Power of M&A for Printing & Packaging Businesses in 2025”, presented by Jim Russell and Tom Williams. Despite some of the news you might have read, 2024 has been a banner year for mergers and acquisitions in printing and packaging. Fragmented industries such as ours tend to consolidate, and we expect this trend to continue into 2025. This session will explain how you can best increase the valuation of your company, and why that is important even if you don’t have current plans to sell the business. We will also discuss the types of M&A transactions we have been engaged with and what we expect to see moving forward. In this session, you will learn:
  - Why this is a great time to be a seller or buyer.
  - The types of buyers currently in the market for printing/packaging businesses, and what they are looking for.
  - How acquiring another company can benefit your business.
  - Considerations for successful mergers and/or acquisition
  - View presentation here

- NAPCO hosted a recent webinar “How The “Haves” Are Transforming The Printing And Packaging Industries”, presented by Jim Russell and Peter Schaefer.

  The printing industry continues to transform into what New Direction Partners commonly refers to as the “haves” and the “have nots.” During this webinar you will learn what the “haves” are doing today to position themselves for growth and profitability...and increase the value of their businesses for the long-term. The “haves” have reinvented themselves to become fully integrated communications companies, providing a wide array of products and services beyond print that inspire customer loyalty and “stickiness.” During this webinar, you will learn:
  - The common characteristics found among these successful companies
  - What the “haves” are doing to build brand loyalty and higher profit margins
  - Ways to build intrinsic value for your printing or packaging business
  - View presentation here

Featured Listings

Firms for Sale

Southeastern Commercial Printing Operation

Our client is an established print service provider located in a major Southeastern metro area, delivering innovative, high-quality printing, graphic design, and fulfillment solutions that empower businesses to stand out and succeed. Through exceptional service, cutting-edge technology, and a commitment to excellence, they aim to exceed customer expectations, foster lasting partnerships and maintain their reputation as a trusted leader in the graphic services industry.

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

Midwest Based POP Opportunity

The Company has $12 million in annual revenue that is split roughly 50/50 between typical POP opportunities and highly-customized fabrication and prototype work. While the business is currently facing financial challenges, it could be a strong strategic fit for a buyer looking to tuck the sales in to their own facility, or someone looking to enter the POP market.

Contact:
Jim Russell @ Jrussell@NewDirectionPartners.com
or by phone at 248-891-6992.

Growing Niche Printer Specializing in Envelopes

Located in the Far West, the business has grown consistently and generates revenues of $4 million and EBITDA of $500K.

Contact:
Peter Schaefer @ PSchaefer@NewDirectionPartners.com
or by phone at 610-724-0500.

Nationally Recognized Digital Printer

A recognized leader in the digital printing space. Manages and executes complex 1:1 direct mail campaigns and produces perfect bound and hardcover books. Also develops customized web-to-print portals and provides complete document management services and kitting & fulfillment. Has a national footprint through multiple locations. Annual revenues of approximately $25 million.

Contact:
Peter Schaefer @ PSchaefer@NewDirectionPartners.com
or by phone at 610-724-0500.

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 devise manufacturing, military and the food and beverage industry. Revenue is north of $4 million and EBITDA in the $500,000 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.

Central New England Commercial Printing Company

Strategically located in central New England, this highly-regarded and profitable commercial printing company services well-recognized customers in the higher education, non-profit, and medical imaging industries. With revenue approaching $5.0 million and EBITDA of $700,000, the Company is a great fit for either a strategic buyer looking to diversify, or an individual looking for an established company with opportunity for growth. The owner is willing to stay on for up to five years to assist in a transition, but his continued involvement is not a requirement for the purchase. A long-term lease is in place for their modern facility.

Contact:
Jim Russell @ Jrussell@NewDirectionPartners.com
or by phone at 248-891-6992.

Southeastern G7 Master Printer

Our client is a G7 Master Printer providing offset & digital wide & grand format display graphics and commercial printing managing and producing customer projects in an efficient multi-shift facility utilizing a unique mix of equipment and services including complete finishing services, warehousing, drop-shipping, online ordering, promotional products and more. They provide total print management solutions to clients throughout the Southeast; many with a national and/or global reach.

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

West Coast Digital Printer

100% digital (b&w and color), highly profitable (20% EBITDA) firm with $12 million in sales in 2024. Seller wishes to retire after a mutually agreeable transition period and seeks a new owner who will continue to invest in the firm's long-term future. Company serves a national base of long term customers in the financial, pharmaceutical, automotive, healthcare, ballots and book markets. Company's long-term success is driven by its proven solution provider and strategic partnership culture and transactional printing expertise. Success is enabled by its leading edge technology and very productive workflow.

Contact:
Jim Russell @ Jrussell@NewDirectionPartners.com
or by phone at 248-891-6992.

Digital Out of Home Media Company

Seize the opportunity to acquire a recognized premier player in the digital out-of-home (DOOH) media landscape. This established company excels in location-based advertising, featuring state-of-the-art Digital LCD Displays and innovative outdoor media formats that captivate audiences. The advertising clientele includes top-tier national and global brands, showcased across prime locations owned by leading national institutional real estate firms. This dynamic business operates at the convergence of print, broadcast, online, outdoor, and mobile advertising. With a highly scalable model that fosters repeat business and a steady revenue stream, the company generates nearly $6 millionin annual revenue, boasting a robust 30% ($2 million) EBITDA. Don't miss the chance to invest in a growing market with immense potential!

Contact:
Jim Russell @ Jrussell@NewDirectionPartners.com
or by phone at 248-891-6992.

Highly Profitable, Data Drive Midwestern Printer

This firm is located in the Midwest with all the leading data security certifications. High end provider of 1:1 digital and offset solutions including large format, fulfillment and customized storefronts. Revenues between $15 and $20 million with above industry average profitability.

Contact:
Peter Schaefer @ PSchaefer@NewDirectionPartners.com
or by phone at 610-724-0500.

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 610-724-0500.

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 clients' 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.

Southeastern Web & Sheet-fed Commercial Printing Operation

Our client is a premier publication printer for web & sheetfed production, graphic design, and mailing with facilities located in a major SE metro area. This firm is a family-owned business who's core specialty of offset printing has been supplemented with additional products and services focused on providing marketing solutions for their clients, including 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.

- ### Northeast Screen Printing and Mailing

This very successful client is a printer with digital, screen, bindery, and in house mailing services serving a large, focused, and stable list of customers. Their products and specialties serve an ongoing, cyclical market segment with repeat and ongoing continued relationships. They service the needs of many local/regional/national clients but, the business can either remain in the current location – with a very reasonable market rent – or be moved or absorbed elsewhere as the buyer desires. This successful firm has experienced an average of mid-20% EBITDA for many years. The owner is willing to remain for a negotiated period for training and transition but is looking to depart following that period. A team of experienced and successful key employees will remain in place. Complete details will be available soon for review.

Contact:
James Tepper @ JTepper@NewDirectionPartners.com or by phone at 508-523-9033
or
Paul Reilly @ PReilly@NewDirectionPartners.com or by phone at 303-520-7803

Firms Seeking Acquisitions

- ### Midwest Publication Printer

Midwest publication printer producing short-run publications and other printed products seeks to acquire books of business from small firms discontinuing operations.

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

- ### International Buyer Seeks US Paper Wholesaler

Buyer seeking to acquire a paper wholesaler, distributor or merchant with a particular interest in containerboard and sanitary paper.

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

- ### Atlanta Client Seeks Strategic Acquisition

Our client, 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 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.

How One Buyer Made ‘DIY’ and ‘M&A’ Spell ‘Deal Closed’

An M&A advisor’s extensive network of print industry contacts perfectly complemented a strategic buyer’s natural talent for dealmaking – and the result has been a continuing run of successful acquisitions..

There are exceptions to every rule, including the one that says owners of printing companies are better off not trying to arrange mergers and acquisitions without professional guidance. While we don’t advocate going it alone, we have seen it done – and we have seen it work.

Some years back, we represented a selling owner in a major metropolitan market whose business had attracted the attention of the owner of a family business based in another city. Our client’s company became the buyer’s first strategic acquisition, and closing the deal gave him two things: a foothold in the seller’s market, and an appetite for further growth by the same means.

His next buy was of another one of our clients. Now he was ready to strike out on his own with the subsequent purchase of a business whose owner we introduced him to over dinner. In this instance, we didn’t have a formal agreement with either the buyer or the seller – just the ability to bring two interested parties together through our knowledge of the marketplace and its principal players.

Learning by Doing

In retrospect, the buyer probably shouldn’t have flown solo for this deal, because what he ended up paying for the business was more than the price that we could have helped him negotiate. But by sharpening his understanding of the process, the experience taught him how structure a transaction and see it through to closing. It was clear that he thrived on the dynamics of M&As, and after he had made his fourth acquisition – a digital firm – we knew that more would be on the way.

At this point, our relationship with him was consultative and advisory as he forged ahead with his strategic plans. Our role was to connect him with owners of companies that might fit within those plans, acting as an intermediary trusted by both sides.

We can’t stress enough the need for a neutral go-between in the opening stages of an M&A transaction. A cold-call approach by a buyer to a seller is liable to be misinterpreted as a hostile act, particularly if both are located in the same city or region. An intermediary known to both parties can keep the overture from being wrongly seen as aggressive or predatory.

Another issue is that the cold-calling buyer’s knowledge of the condition of the seller’s business may not be much more than guesswork. If the seller is apprehensive about disclosing details, there will be nowhere for the conversation to go (assuming that one got started in the first place). Before any information can be shared, buyer and seller must get to know each other as people: the first step in building mutual trust.

The basic ingredient is buyer-seller compatibility. As advisers, a large part of our role is to judge as best we can the characters of the two parties and the likelihood of a cultural fit between their businesses. If our instincts are correct, the prospects should be solid.

Allow Us to Introduce

This is exactly what the strategic buyer in this story engaged us to do. By making selected introductions, we got him in front of the owners he wanted to meet. Breaking the ice and putting the encounters on friendly terms gave him an opening to proceed with the deals he had in mind. This he did entirely on his own – beyond the introductions, we didn't provide him the services we typically do when representing buyers and sellers.

But by now his M&A muscles were well developed, and he proved it recently by making another major acquisition in the same metro market where his first one took place. Having grown his company's revenue fivefold since starting his buying spree, he now ranks as one of the industry's most active and successful consolidators of commercial printing businesses.

Although we weren't directly involved in the negotiations, we're proud of the role we've played in the growth of this remarkable company. It brings home the fact that there is no substitute for knowledgeable third-party assistance in M&A ventures in whatever form that assistance is provided.

Experience Adds Value

We continue to recommend seeking professional M&A advisement, especially for owners who have made the decision to sell. Because selling a printing company is something that most owners will do only once, the planning and execution have to be flawless. An advisor who has overseen scores or hundreds of transactions knows how to maximize value for the seller – the entire point of the exercise.

Some buyers may decide to manage their transactions themselves, and that is their prerogative. But just as the buyer in this story did, they can still benefit from drawing on an advisor's extensive network of industry contacts and consulting its "deal book" of M&As successfully closed.

We won't reveal this buyer's name, but we're predicting that he and his company will be heard from again as he continues to pursue his strategy of growth through acquisition. His exceptional track record to date reminds us that in the end, it's still all about whom you know.

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.