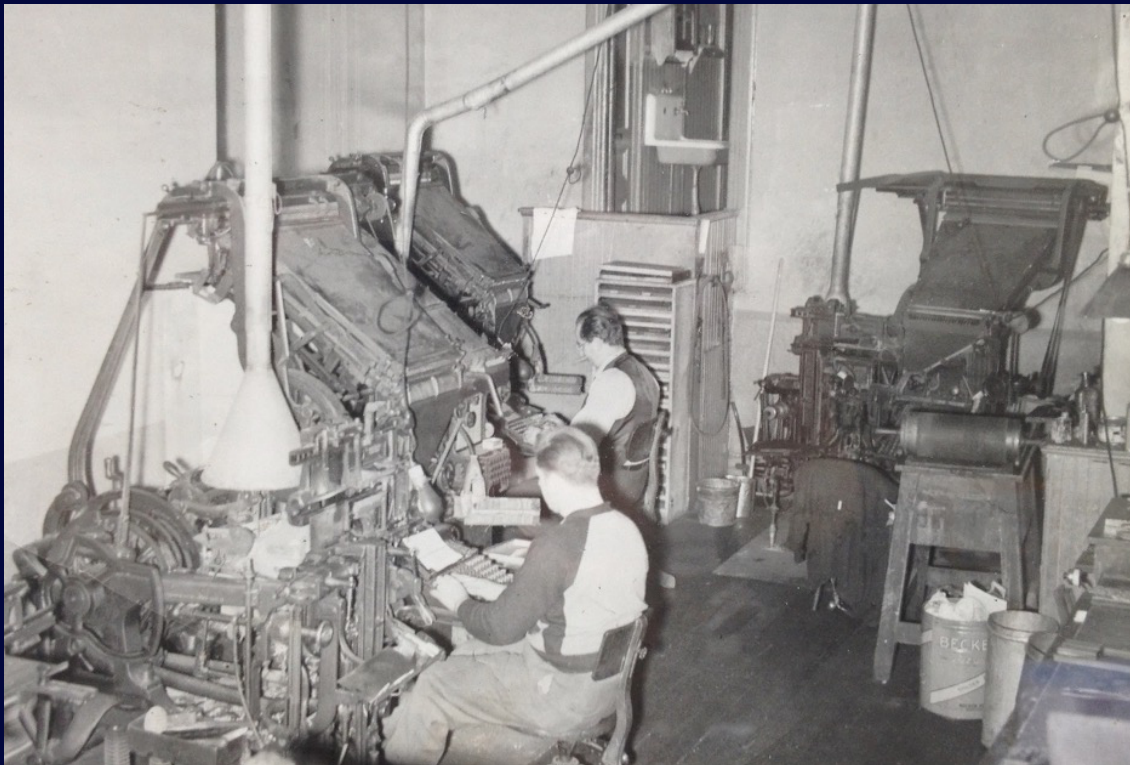


Newark Trade Typographers Turns to New Direction Partners to Find Buyer



Newark Trade Typographers, also known as Newark Trade Digital Graphics, founded in 1938 by John and Theodore Wislocky, had two components: commercial printing consisting of products printed on a Ricoh digital press along with large format display printing; and formatting of pharmaceutical prescribing information, brief summaries and medication guides, the latter comprising 85% of the business. According to Bob Wislocky, the company's current President, "Our unique selling proposition was our reputation for zero tolerance for errors, which is critical in the pharmaceutical industry; and we haven't had an error in years. We developed a proprietary system for production that not everyone does, and I don't believe it can be replaced by AI. One error and a person could get sick or even die!"



Caption: John and Theodore Wislocky working on the Linotype machine (late 1940s after John returned from WWII)

"In late 2023," Wislocky says, "I contacted Tim Freeman to get a recommendation for someone who could help me establish a valuation of the company. One of the most difficult things in preparing to sell your company is establishing a realistic business valuation, because the seller thinks the value is higher, while the buyer might think it is worth less. It can be very emotional."



Freeman introduced Wislocky to New Direction Partners Director Jim Tepper who involved New Direction Partners Partner Emeritus Paul Reilly to assist as well. “Both of them were invaluable in helping me establish the enterprise value, and to take the emotion out of what we were going to need to do,” Wislocky explained.

The next step was to create a Confidential Information Memorandum (CIM), which New Direction Partners distributed to potential buyers upon signing a CDA. Wislocky stated, “I thought the process would take about a year, but it took two years for it all to come together. I think it was easier to decide who I was going to marry,” he laughed. But he also noted that he didn’t believe he could have done the transaction alone, without New Direction Partners’ expertise.



Caption: Bob Wislocky at his Front Office desk

During the valuation process, it was determined that the pharmaceutical component of the business on its own made the enterprise value higher, and bringing in the printing actually lowered the valuation. That enabled a decision about how best to position the sale.

This positioning paid off: the ultimate buyer was Unified Graphic Communications, located in Paterson, New Jersey, who does all of the printing of Prescribing Information for a large pharmaceutical company that Newark Trade also did business with, doing all of the formatting. So it was a natural fit, according to Wislocky, who will remain with the combined companies for a transitional period of time with the intent of ultimately fully retiring. Unified established a new corporation called NT Graphics, Inc., dba Newark Trade



Graphic Communications, to maintain the goodwill already established by Newark Trade Typographers for over 87 years. “Now the combined company offers not only the creation and proofreading of the pharmaceutical content, but also sells pharmaceutical printing, which we did not do ourselves at Newark Trade prior to the acquisition,” Wislocky said.

Wislocky noted that in addition to the symbiotic nature of the combination, there were two other things that were important to him: That employees would remain local rather than having to move out of state, even though a few people do work remotely part of the time. The other important consideration was that the buyer already had a good background in pharmaceutical printing. In the end, potential buyers were whittled down to three companies, and two were remote. So that helped the decision to move forward with Unified Graphic Communications.

Wislocky also appreciated Paul’s methodology and his ability to present it in a manner that was most understandable to the buyer. “Both Paul and Jim have excellent financial backgrounds, but Paul was really the financial wizard,” he said. “They took a lot of the burden off of me, all the way up to the development of the term sheet, which took some time to negotiate,” he explained. “It included the need to come up with an asset purchase agreement, a consulting agreement, and a transition agreement. Again, this is something I could never have done on my own.”

Why work with New Direction Partners? Wislocky stated, “You get personal service, and the rapport between Paul and Jim was very important. I could call them and they would get back to me quickly, or we could have a Zoom meeting to work things out. They brought a lot of personalization to the process, very hands on, which was also the way I ran my business.”

Wislocky concluded, “Their financial expertise and knowledge of printing were top notch, and they were willing to step up and learn more about the formatting part of the business. They also got along well with my accountant, who helped us split the P&L of pharmaceutical formatting and printing to increase the Enterprise Value of the business. I highly recommend that anyone looking to sell their printing business look into working with New Direction Partners. Their partnership with me in this endeavor was invaluable.”

