

SALE OF A PREMIUM SPECIALIST LOGISTICS GROUP

Deal snapshot

- Cadogan Tate Group Holdings (Cadogan Tate), a premium specialist logistics group offering packing, moving, shipping, storage and insurance for fine art and other valuable possessions, has been sold to H2 Equity Partners (H2). Cadogan Tate's deep-rooted culture of excellent customer service means it is the go-to provider for the world's most high-profile jobs, including moving President Obama when he left the White House.
- Established in 1977, Cadogan Tate is one of a handful of global companies able to provide end-to-end global specialist storage and logistics services for high-value items. Cadogan Tate's customers include wealthy individuals, interior designers, auction houses, art galleries and museums. The business is headquartered in London with offices in New York, Los Angeles, Miami, Paris and the Cote d'Azur. The company generated sales of over US\$60 million in the financial year ending September 2017 and has approximately 450 employees.
- H2 is an independent private equity firm founded in 1991, active in the Benelux, Germany and the UK. The firm has built an exceptional record of acquiring and growing attractive businesses.



What our client said



Rohan Masson-Taylor, Founder and Chairman, Cadogan Tate, UK

"We chose to partner with H2 based on their in-depth knowledge of our sector and excellent track record, built up over 27 years of working with family-owned businesses. Our management team and H2 have developed a strong relationship and we look forward to seeing Cadogan Tate continue to develop and grow.

Oaklins Cavendish were extremely hands-on and left no stone unturned, supporting and guiding me and the management team through all aspects of the transaction with the utmost professionalism. I would have no hesitation in recommending them to anyone wishing to sell their business."



Our role in the transaction

Oaklins Cavendish, based in the UK, advised the shareholders of Cadogan Tate in a structured private equity sale process, finding an investor who could support the existing management team to invest in state-of-the-art storage facilities, open new offices internationally and drive the company's strong focus on providing a premium service.

Market trends and deal drivers

- The US interior design market is estimated to be worth US\$12 billion, doubling in value since 2010. There are over 100,000 interior design professionals in the US, many of whom require moving, shipping and storage services. This is a key growth market with attractive margins compared to traditional household moving services.
 - There are many small moving and storage businesses across the globe which are dependent on one or two clients, with no real growth or exit plans. Cadogan has an established track record of acquiring and integrating these companies on very attractive terms, presenting a clear buy-and-build strategy which was enticing to private equity investors.
 - Large multinational clients are continuing to rationalize the list of moving and relocation suppliers, in some cases awarding contracts on a global rather than regional basis, demanding a broader range of services and improvements in service delivery. In order to compete, moving and relocation firms must have a true international footprint and a range of leading service capabilities to continue to be included in the list of preferred suppliers. This is driving consolidation in the market.
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M&A valuation aspects

- Cadogan Tate's international footprint (with offices in France and the US) meant the business could capitalize on growth opportunities in different end markets outside of the UK, while also generating revenue in multiple currencies.
 - Private equity firms were particularly attracted to the storage revenues in the business. Earnings from storage are valued more highly than earnings from shipping and moving activities, as they are more visible and consistent.
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Oaklins industry specialist



✉ James Ellis, Director, Oaklins Cavendish, UK

James has well-established contacts in the logistics industry. Commenting on this deal, he stressed that it "further demonstrates Oaklins' expertise in the premium logistics and residential moving space following our sale of Sterling Relocation, previously Europe's largest independent moving and relocation services business, to UniGroup Inc, a US\$1.7 billion US-based global leader in transportation and relocation services."

OAKLINS HAS CLOSED 135 DEALS IN LOGISTICS

Oaklins is the world's most experienced mid-market M&A advisor, with 700 professionals globally and dedicated industry teams in 40 countries worldwide. We have closed over 1,500 transactions in the past five years.