



WHAT THEY DO

LC Packaging (UK) Ltd are part of the Dutch/Belgian owned LC Packaging group of companies which operates in 15 countries across Europe. They supply packaging products and materials to a number of market sectors.

BACKGROUND

LC Packaging (UK) Ltd were looking to expand their UK business by purchasing the entire issued share capital of SG Baker Ltd – a company which had depots in Scotland and Grantham, and which operated in similar markets. With a complex purchase structure they needed special advice and their accountants recommended Roythornes commercial team.

SOLUTION

The purchase price for the business was broken down into a number of elements – an amount up-front (dependent on completion accounts), deferred payments (based on future performance) and potentially further payments (dependent on selling development land).

There were also property matters to consider; two Scottish properties had to be transferred out of the company before the shares were bought.

Our property and commercial teams worked together to ensure that the documents were negotiated and agreed to timescale. This involved close liaison with Scottish lawyers for their specialist advice on Scottish property law, and with the accountants to ensure the tax objectives were achieved.

Despite being a multi-million pound acquisition, the client wanted to achieve a very fast timescale over the Christmas period to ensure the smoothest possible take-on of the business without disruption to customers.

In addition, the teams had to draft all documents to satisfy the requirements of the Dutch parent company (which had both Dutch and Belgian shareholders). Our teams attended the completion meeting with both parties, to answer any last minute questions and to check that all the relevant documents were signed correctly. They then arranged for the filing of documents and liaised with the Stamp Office to ascertain the level of duty payable on this complex package.

RESULTS

This was a complex deal involving a number of parties and teams, both within Roythornes and other professional firms. It required a keen eye for detail and first-rate planning to deliver all the required elements.

The team achieved the client's eight-week target from heads of terms to completion, including due diligence and preliminary property transfers despite the usual Christmas disruption and the multi-jurisdiction issues.

The result was a smooth transaction that fulfilled the objectives of both parties and left LC Packaging (UK) Ltd with a business they could now integrate into their operations.

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