



Case Study

Test Devices

CHALLENGE

The owner of Test Devices, the world's leading source for centrifugal spin testing systems, was ready to begin his succession planning. A leader in its market for more than 30 years, the company was strong, the market opportunity was bright, and key positions were filled with talented people who were knowledgeable in the business. The time was right for H. Eric Sonnichsen to transition out of the company that he had built.

At the same time, Rob Murner was consulting for Test Devices. Having held senior positions at Fortune 500 and 100 businesses, Rob knew that time was right for him to run and eventually own his own business. After getting to know the ins-and-outs of the company through his consulting engagement, he decided that Test Devices was the company he wanted.

Given the value of the business and both his and Eric's desire to have Eric stay involved, it was clear to Rob that the deal would need to be a structured buyout. He had previous experience with mergers and acquisitions while in senior positions at both acquiring and acquired companies, but he knew he didn't have the necessary experience to negotiate such a complex structured buyout.

Rob wanted the help of a highly skilled transactional advisor, and after a referral from Citizens Bank, he chose to entrust the Vann Group with the deal.

SOLUTION

The Vann Group provided Rob with comprehensive transactional advisory services from start to finish.

According to Rob, "It was obvious from the start that the Vann Group had a great deal of experience with business transfer transactions. What was so impressive was that it was able to provide the wide range of expertise that I needed, including valuation, financial analysis, accounting rules and concepts, as well as helping me to evaluate and negotiate all aspects of the many different versions of the agreement that we went through."

The deal was complex, had multiple trigger points, underwent several changes, and required a great deal of back and forth. The entire process took about a year. Mike Vann knew from experience that the deal would not be fast, but he knew the factors critical to success, and he guided all parties toward the shared goal.

“Mike [Vann] provides a unique combination of business expertise and financial style that makes it obvious that he views his success as your success.”

- Rob Murner

In Rob's words, "The Vann Group provided the right analysis and advice, at the right time, every step of the way, including recommending an attorney whom I liked and trusted."

RESULT

The result is an agreement that is good for Rob and good for the company. "Working with Mike Vann was an excellent experience," said Rob. "Mike provides a unique combination of business expertise and financial knowledge with a personal style that makes it obvious that he views his success as your success."

"He knows that for business transactions to be successful they must work for all parties, and he is highly skilled at facilitating that result. Additionally, Mike impressed the people with whom I was negotiating, which reflected favorably upon me. Everyone knew this was a transaction motivated by a genuine desire to make a great company even greater. Even though the Vann Group was technically working for me, I know that all of us involved in the negotiations appreciated the expertise, insight, and integrity that the Vann Group brought to the table."