bcms

OUR CLIENTS - THEIR WORDS

"I KNEW I WANTED TO SELL, I JUST DIDN'T KNOW HOW TO GO ABOUT IT."

In 1993, Tom Woodard set up Show Data Systems in Oxfordshire offering event registration software for the UK's burgeoning trade show circuit.

In 2007, Tom took a 75% stake in event ticketing specialist Interchange Communications, and by 2012 when he decided to sell both ventures, Tom was employing 18 people and 70 casual workers to manage more than 230 shows a year.

BCMS advised Tom on the sale of both businesses to Canadian software business, Jonas Software for an undisclosed sum. Here, he shares his journey.

WHAT LED YOU TO SET UP SHOW DATA SYSTEMS?

"From a young age, I knew I wanted to work for myself, but I had no idea how to go about it. After doing a science degree I spent several years travelling before joining my father's business. His business was selling ID products for the event industry, and I developed a computerised registration system. I was perhaps more ambitious to grow than he wanted, so we agreed that I would run my own business. He gave me my first customer, and the rest is history."

WHY DID YOU WANT TO SELL?

"I'd had enough. I was running my own business and had acquired another one en route (Interchange). I was ready for a change. Events are very tiring, and I didn't have the same level of energy I had 20 plus years ago."

WHAT WOULD YOU SAY IS THE LEAST ENJOYABLE BIT OF RUNNING A BUSINESS?

"Show Data Systems was running 230 events a year, and while they invariably went well, I was always conscious that I needed to be on hand. A lot of customers know me personally and wanted to deal with me, so I took steps to resolve that by hiring account managers.

STATS

THE SELLER

SHOW DATA SYSTEMS LTD AND INTERCHANGE COMMUNICATIONS LTD

- Event registration software
- 18 full time staff & 70 casual staff

THE BUYER

JONAS SOFTWARE

a division of Constellation Software Inc. is headquartered in Ontario, Canada

- A global software group with more than 50 subsidiaries worldwide
- Hospitality & Industrial business process systems

THE FACTS

Companies approached: 227

Interested parties: 32

Offers received: 2

Offers accepted: 1

Completion: July 2015

Lowest to highest offer ratio: 2x

![bcms logo]

WHY DID YOU CHOOSE BCMS?

"I was thinking of an exit five years before but the business wasn't big enough. Then, I was invited to a BCMS seminar. I knew I wanted to sell, I just didn't know how to go about it.

HOW DID YOU MEET THE BUYER?

"We met Jonas Software a year earlier and they had signed the non-disclosure agreement and made an initial offer, but we couldn't reach an agreement at that time.

Jonas Software had a UK subsidiary, Gladstone Health & Leisure, based locally in Wallingford, so I met the managing director for a beer, and he said he would take it up higher in Jonas, which took about six months. Show Data had a cracking year that year, growing turnover by 30%, and more importantly we got on incredibly well. So, they took it back to their M&A guys and things progressed from there.

"Jonas Software was a straightforward company to deal with. Its business model is to acquire software houses with recurring revenues. As we had a slightly different business model the due diligence took a bit longer than usual.

"Gladstone had a number of senior people looking for career development. One of them was put forward as the new Managing Director and we had a month-long handover before I left the business."

HOW DID YOUR STAFF TAKE IT WHEN YOU TOLD THEM?

"I was under non-disclosure agreement so I couldn't tell them. I could only tell two people who were involved. For the rest of the team, we had a meeting on Monday morning and I saw their jaws drop. Then Jonas arrived an hour later."

WHAT DOES THE FUTURE HOLD FOR YOU NOW?

"I am particularly interested in peer-to-peer lending at the moment, and I've invested in a few small projects. I'm only 50, so I am thinking about building up a new business again. But for now, I'm enjoying my freedom."

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