

Medcomms Mergers & Acquisitions: at a glance



State of the UK market – incorporating learnings from recent medical communications M&A transactions

In your sector...

A deal happens every **19** days

The average headcount of privately owned target businesses is **52**

21% of acquired companies are bought by an international buyer

89% of buyers had already made an acquisition in this sector

Source: CapIQ. Data period 2020-2023

Headline trends in medcomms M&A

- Serial acquirers are pursuing long-term buy-and-build strategies, looking to build scale and broaden services through multiple acquisitions
- With Private Equity backing in place, some acquirers are focused on building large groups with complementary skillsets
- Unsolicited approaches from serial buyers to privately owned businesses are commonplace
- Independent UK agencies are of particular interest to serial international acquirers

Does your business tick the buyers' boxes?

Typically, serial acquirers are looking for access to:

- Expert talent:** highly qualified, experienced medcomms professionals, with a high proportion of staff educated to MSc/PhD level, plus post-docs and CMPPs
- A **diversified customer base**, showing limited dependency on one (or a small handful) of major pharma clients
- Master Service Agreements (MSAs)** in place with top pharma/major healthcare networks and/or a proven portfolio of delivery in high-profile campaigns and initiatives
- Operations in a **range of therapy areas** - or specialist expertise in niche areas
- Experienced management team** to provide continuity and drive the business forward post-acquisition
- Scale: typically **the bigger the business, the stronger the buyer appetite**

+ Motives for acquisition are not just financial, and buyers value target businesses on their merits, including quality of staff, unique services offered, or relationships with key clients

Competition drives value: statistics from recent BCMS medcomms transactions*



Global interest

49% of potential buyers were located outside the UK



Bidder competition

~8 Typical number of buyers submitting offers on BCMS-led deals



Uplift on offers

+18.5% the average difference between first and final offers



This transaction has exceeded my expectations... BCMS worked in partnership with me at all times, always in my corner, offering straight-talking advice and valued support

Asif Zaman, Spirit Medical Communications (sold to OPEN Health)

*BCMS-led transactions post Q2 2020

If you're considering your growth or exit strategies, the first thing you need is expert advice. Call BCMS on **0118 207 9800** or email info@bcms.com