

CASE STUDY

NORDIC SAUNAS & LEISURE LTD

BUY IN MANAGEMENT BUY OUT

INVOICE DISCOUNTING WITH STOCK LOAN

NORDIC SAUNAS, A HOT HOUSE OF FINANCIAL GROWTH

Former employees required funding to buy Nordic Saunas when the owner reached retirement. Venture were able to offer a fast solution in offering a Buy In Management Buy Out (BIMBO) route with the minimum of fuss. This enabled them to both purchase and later expand the established sauna business.

Lynda and her business partner had worked for the original company, Nordic Saunas Ltd, for a combined 29 years and knew the business inside out. When their boss of 17 years announced his retirement they decided to take the plunge and buy it themselves. "We believed we could build on the strong name established over 40 years and we always wanted the opportunity to take the company forward," explains Lynda.

BIMBOs are becoming an increasingly popular way to buy or sell companies and by pursuing this particular route Lynda and her partner were able to combine their experience and expertise with their fresh outlook and enthusiasm.

Founded in 1965 the company is an established supplier of saunas, steam rooms and hot tubs. It supplies luxury products to private householders, including footballers and celebrities, as well as prestigious health clubs and hotel chains. The Company also exports to far-flung places such as Dubai & Barbados.

However, raising the necessary funds to take over such a profitable outfit was a serious challenge. "As well as the cash itself, we needed professional advice on the easiest and quickest way of purchasing the company. We had to maintain the company's cashflow and finance the buy out with the minimum of fuss, as time was of the essence in completing the deal," says Lynda.

"In March this year Factoring UK recommended independent financier Venture Finance. Through them we secured a loan on the company's stock worth £150k to complete the BIMBO and set up an ongoing Invoice Discounting facility so we had working capital at the front end."

The system was up and running and all the paperwork in place over a matter of days. There were no obstacles in our way, which was in marked contrast to others we had approached before hearing of Venture. The team pulled out all the stops to enable the deal to go through.



It was important to Nordic that they worked with people who understood their business and its needs. Lynda added: "Having worked at Nordic Saunas Ltd for so many years and being passionate about the business it was important that we worked with people who believed in it too. Venture has a genuine interest in wanting us to succeed without being intrusive."

Nordic Saunas and Leisure Ltd has enjoyed continuing success since the takeover earlier this year. The company employs 20 people and has a growing client base. The financial package implemented by Venture has allowed them to maintain a constant cashflow whilst expanding the business.

Lynda finally added: "If you are looking for a flexible funding package for a management buy out, or if you are simply seeking professional financial advice, Venture is streaks ahead of the competition for providing a workable solution."