

Carving-out and building an international business

Founded in 1971 as Bedell Trust, a fund, corporate and trust administration business, Ocorian has moved fast to become a leader in a consolidating industry.

The firm partnered with Inflexion in September 2016 to support its carve-out and rapid acquisitive growth. CEO Nick Cawley explains how the firm has progressed since the buyout.



Nick Cawley
Chief Executive Officer, Ocorian

O C O R I A N

Why did you decide to do a management buyout and partner with Inflexion?

The industry was consolidating, so had we not taken the initiative to become an industry leader, then we were at risk of being acquired, pulled apart and integrated. As a management team, we did not believe that would be in the interest of our clients. Rather, we were keen to grow and that meant we needed a global footprint. We had offices internationally but they lacked sufficient scale to compete in this fast-growing market. We were aiming to reduce our reliance on Jersey, increase our corporate client base and build a footprint with substance in all the right locations.

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It was a fortuitous and easy decision to start working with Inflexion. We had come to a point in our evolution where we knew we needed to separate from the law firm we were part of, and this decision came just as Inflexion were exiting its investment in Sanne Group. Their success with Sanne was evident not only by its IPO on the London Stock Exchange, but also its post-flotation performance. Inflexion's carve-out experience was also important and we knew their monumental British Engineering Services carve-out from RSA Plc meant they could tick an important box for us.

I had met many private equity firms over the years, but most of them were lured by high margins and high cash conversion without truly understanding

the business. Inflexion on the other hand had very recent and relevant experience, and impressed us from the first meeting by having ideas that resonated with us. They completely understood

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what management teams in the sector were trying to achieve, making it an easy conversation. They were also clear that they'd leave our management team alone to manage the business.

Finally, Inflexion were very flexible in terms of how they structured the deal to ensure we got it over the line. They showed a great degree of flexibility in dealing with a legacy shareholder base, ultimately creating a deal which allowed us to incentivise a management team which previously had not felt sufficiently aligned.

How has the partnership evolved since the September 2016 buyout?

We had a challenging first six to 12 months, which is typical for a primary buyout and a carve-out. Inflexion were firm enough to say 'you need to do this' about certain things, and when we said 'we don't have the resource to do this', they helped us in a range of areas. For example, their Investment Director Tom Green was instrumental in bringing on board interim management – which I'd not

heard of prior to our deal. He said I needed a chief of staff, and within three days he had shortlisted four and by the following week I had one in place. It was fantastic and took so much pressure off me. Inflexion knew what I needed even when I didn't, and that made a big difference logistically to co-ordinate the many workstreams we had on the go. Since the buyout, they have helped us secure three new senior members of the team as well as four interims.

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Ocorian has been incredibly acquisitive – how have you moved at such speed?

We have done four acquisitions in 12 months, which has been transformational. Inflexion were literally working hand-in-hand with us and, in earlier acquisitions, driving the process, which helped us as we were on a huge learning curve.

The MAS International acquisition was one I'd looked at three years earlier but didn't have the financial firepower to undertake. Then shortly after our MBO, the business approached Inflexion saying they knew and liked us and so Inflexion helped us make the transaction work financially. In fact, we were busy with another acquisition at that time, and so Inflexion's Assistant Director

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George Collier kept the MAS deal progressing for us until we could engage directly. We could not have done that without their help.

Inflexion's Partner Flor Kassai has strong relationships in the space, which helped us source and gain exclusivity on our ABAX acquisition. Inflexion brought in the financial support we needed – but then, crucially, they stood back and let us run the transaction; giving us key in-house M&A experience.

Inflexion have recognised that doing four deals in 12 months is a lot, and so are allowing us the breathing space we need to integrate these businesses rather than focus on doing more M&A for now. It's been a true partnership – they've pushed us when we needed it, addressed things when we've been stuck, and backed off when we needed them to.