

# Successful sale of Digital Marketing Agency



Company:  
Digital Marketing Agency

Established in 2003

Part of a wider  
International Group

## BACKGROUND:

- UK company was part of a cross-border Group with 12 entities and an international listed parent;
- The Group experienced sustained losses causing cashflow issues which the parent and other Group entities were unable to support;
- The Group had hoped to get external equity, however this did not materialise;
- In addition, the UK Company had looked at ways to reduce costs, including implementing redundancies and reducing noncore operations, however the Company could not service the debt and creditor arrears.

## MOORFIELDS' ENGAGEMENT:

- Worked alongside the Group CEO and CFO to review options available to the Group, including international insolvency advice, and specific options available to the UK Company;
- The Company had several service line offerings, allowing for a viable ongoing business if the creditor position could be addressed;
- Worked alongside agents to conduct an accelerated marketing process to offer the business for sale;
- Simultaneously ensured critical cashflow was managed effectively to ensure the secured creditors position was protected and payroll could be met;
- The marketing resulted in a number of interested parties and lengthy negotiation to ensure the best offer was accepted;
- After identifying a suitable purchaser, Moorfields were able to complete a successful transaction simultaneously alongside an Administration of the Company

## CLIENT RESULT:

Moorfields completed a pre-pack sale of the business resulting in;

- Retained value in the business, achieving value for work in progress and ensuring pre-invoiced services would be fulfilled, resulting in a better result than the likely alternative;
- Transfer of all employees, reducing redundancies, and customer contracts novated;
- Introduced the purchaser to a new secured lender to aid with working capital requirements;
- Incumbent secured lender repaid in full on day of appointment.

*"A huge thank you to the team at Moorfields, we could not have navigated through this difficult time without your guidance and support. Post restructure, we have a clear plan of how the business will thrive going forwards with significantly reduced operational costs"*

*Director*

*"Moorfields provided clear support with critical cashflow management and contingency options. Over the period of Moorfields' involvement, our funds in use reduced significantly, ensuring funds were available for payroll, and resulting in us being repaid in full upon appointment"*

*Lender*

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