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NVM Private Equity (NVM) invests £9 million into the management buy-out of Kerridge Commercial Systems

NVM Private Equity has invested £9 million into the management buy-out of Kerridge Commercial Systems (KCS), the leading Enterprise Resource Planning (ERP) software business based in Hungerford, Berkshire.

Clive Austin, who led the deal for NVM and joins the board, comments *“KCS is the leader in its field and under independent ownership management have a fantastic opportunity to increase the business’ presence both in the UK and abroad. We are delighted to provide the funding for the buy-out which is a landmark deal for NVM. It is an excellent example of the type of investment we are looking to make and demonstrates that good deals can be found even in quiet markets.”*

Kerridge Commercial Systems specialises in the provision of fully integrated ERP systems to niche vertical markets such as builder’s merchants, automotive parts suppliers and industrial component distributors. The company has built-up a reputation as the leading specialist offering high levels of understanding and product fit with quicker, cheaper and less risky system implementation. The company employs a 141 staff across its UK, South African, Irish and Dutch offices.

The company has appointed Ken Briddon as Chairman to the KCS board. Ken has a wealth of experience both in the software sector and private equity. He is also on the board of KPJ Software Services – an NVM-backed acquisition vehicle targeting businesses within the software and IT services sector.

Ian Bendelow, CEO of Kerridge Commercial Systems says *“I joined Kerridge Computer Company Limited in 1993 and worked my way up to become managing director of KCS in 2005. The MBO will enable us to take full advantage of our market position and develop our international presence. We are delighted to partner with NVM who delivered exactly what they promised the first time I met them. We look forward to working with them as an independent business to bring our vision to fruition”.*

Duncan Lamb of Grant Thornton advised management and reflects: *“We were introduced to the KCS management team by NVM and have been working with them as their advisers throughout the transaction. Kerridge is a well respected brand within its industry so I feel that this new structure will enable the management team to develop and truly take advantage of the fantastic market opportunity. We wish NVM and the management team every success.”*

The legal adviser to NVM was Eversheds LLP. Legal adviser to Newco and management was Osborne Clarke LLP. Financial due diligence was undertaken by Baker Tilly with management due diligence carried out by Mercuri Urval and commercial due diligence by Latitude. Banking was led by HSBC Thames Valley Corporate Banking Centre who were advised by Shoosmiths.

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Notes to editors:

NVM Private Equity Limited (NVM)

NVM is one of the UK’s leading independent private equity businesses focussed on making equity investments of between £2 million and £10 million in unquoted UK companies. NVM manages £175 million of funds and is differentiated by having executives living and working in regional business communities throughout the UK.

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