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NVM Private Equity (NVM) backs the management buy-out of Lanner Group

NVM Private Equity has backed the £3 million management buy-out (MBO) of Worcestershire-based Lanner Group, from 3i Group, who currently hold a minority stake in the company. Lanner is a leading provider of process simulation software for blue chip organisations worldwide. The current, proven management team, which includes Ken Briddon as Chairman, took over leadership of the business in 2006 and has since transformed the performance of Lanner as a software products business.

Lanner Group has rolled out a number of new products over the last three years and works with partners such as IBM and IDS Scheer to deliver their products to customers. End users include the likes of Ford, GSK and British Nuclear Group.

James Arrowsmith, who lead the deal for NVM, comments *“The team at Lanner has done a great job over the past four years in refocusing the business around some market leading products and now has a fantastic platform for growth, based around both a growing demand for simulation and optimisation software and expansion of the product range. We look forward to working with David Jones (CEO) and the team to continue to drive the business forward.”*

Lanner’s simulation software enables business managers to model, analyse and optimise processes to make superior decisions in a risk-free environment, however complex. Lanner is organised across industry sectors including the police and public sector, energy, defence, aerospace, automotive, general manufacturing and healthcare. The Lanner portfolio is based around the leading business improvement products; WITNESS, L-SIM, Px-Sim and PRISM

Customers such as **Nissan** and **Sanofi-aventis** have achieved significant efficiencies and savings using these solutions to model and optimise their processes. Lanner currently has a customer base of circa 1,000 taking advantage of the products.

Lanner was established in 1996 following the MBO of the simulation software division of AT&T backed by 3i. The company has since developed into a growing software product business with a variety of channels to market for their core technology across all sectors including the UK public sector. **The company is based out of Redditch in Worcestershire and currently employs 35 full-time staff across its UK base and subsidiary USA and France offices.**

David Jones, CEO of Lanner Group says *“This backing follows an incredible year for Lanner – we have had an excellent business performance in 2009 and NVM will help us capitalise on this to accelerate growth moving forward.*

“Businesses are now recognising the benefits and savings that simulation can bring. It has been ranked as one of the top 10 most important strategic technologies for 2010 by leading analyst house Gartner. The reduction in risk and leaner, more efficient operations that simulation enables will continue to open up opportunities for Lanner. We are very happy to secure the support to enable Lanner to develop to its full potential.”

Eddie Harding of ICON Corporate Finance, who advised management on the buy-out, said *“we are delighted to have attracted investment for the deal from NVM who have a first class track record of backing businesses in the tech sector. This transaction will give Lanner, who’s business has been transformed by management since the reorganisation in 2006, an ideal base from which to dominate the simulation software market which has become increasingly important to enterprises implementing new systems and processes”.*

The legal advisers were Wragge & Co (NVM) and Pinsent Masons LLP (management). Financial due-diligence was undertaken by Baker Tilly and commercial due-diligence was completed by Armstrong TS.

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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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