


Brand Republic – 11th July 2008

Edition: UK | Asia
Our Websites

Visit us to purchase of commission stunning, powerful images from the world of sport.



a new solution in creative sports imagery
haymarket images

Don't miss an issue
Subscribe now online





WINNER ★ Best Business Website PPA Awards 2008

RSS NEWS FEED
 EMAIL BULLETINS
 REGISTER
 LOGIN

SEARCH

Home
News
Forums & Blogs
In Depth
Research
Showcase
Events
Jobs

Features
Analysis
Opinion

You are here: [Home](#) > [In Depth](#) > [Opinion](#) > Time to sell the agency? Outlook from Results International

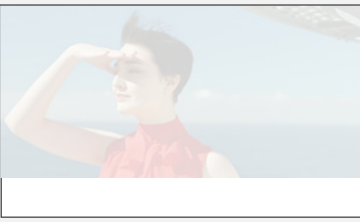
Time to sell the agency? Outlook from Results International

by Andy Collins Brand Republic 11-Jul-08, 08:00

Despite ever increasing economic gloom, the outlook for the marketing communications sector remains relatively positive, writes Andy Collins, senior partner at Results International, the adviser to agency owners looking to sell.

Radical changes in media consumption are creating disruption, which always leads to opportunities. And though we're unlikely to see the high deal volumes of the past few years, smartly managed business are still able to command interest from prospective buyers.

ADVERTISEMENT



Businesses in areas including digital, new-style direct marketing (ie with a focus on email, data capture and analytics), public relations and research will continue to see strong appetite from buyers.

Although challenging, trade sales remain an attractive prospect for quality vendors. Most major marcoms networks still have access to funds and, with relatively stable share prices, many are still looking to bulk up their offering.

The greatest opportunities lie with privately owned groups, away from the depressed capital markets.

At Results, we've seen some strong private groups developing, with heavy appetites for acquisition, particularly amongst those funded through private equity money.

New players from the US and the Far East are entering the market, and given a fantastic track record of private equity-funded exits, interest in the marcoms sector remains high.

Private equity houses are extremely well educated on the sector -- they know what they want and where to find it. These buyers are looking for agencies with high growth, at least 15%, and strong margins of between 20%-30%.

Value-added services remain key and companies that provide clients with "think for me" type strategic services are most attractive. Of course, a coveted client base and a well-respected management team are essential ingredients.

At the same time, buyers are most interested in specialist businesses, so companies looking to shape themselves for the future should think about focusing their services and creating lock-in products.

In conclusion, we expect 2008 to continue to hold up. Yes, we will see more wariness and concern about the future and companies will need to manage their businesses efficiently.



TOOLS

- Email this article
- Clip & save
- Print this page
- Share this article on Digg
- Delicio.us
- Stumble !!
- Share on Facebook
- reddit
- Jobs by email

JOBS

- Information Architect**
£50,000 - £60,000 + benefits
- Direct Marketing Product Manager**
£35K - £45K
- Online Account Manager**
£35000-£45000
- Public Relations Manager Competitive Package**

Find over 3000 jobs

DIRECTORY

What are you looking for?

Product/Service
 Company

blueboomerang.com

