



People

Accelerating Experience with CitySprint

Outstanding Value Creation. By people. Backed by Private Equity.

CitySprint's CEO designate was preparing a Management Buy Out ("MBO1") in early 2010.

Patrick Gallagher knew the business had huge potential, but it lacked experience in several key areas: his own transition to CEO; half his Executive Team would be newly promoted from within; Private Equity ("PE") ownership would be new. Finding the right partner to address these people challenges would be mission critical to implement Patrick's ambitious growth plans and increase CitySprint's value substantially.

Accelerating Experience was approached to ensure best positioning and preparation for MBO1, and build Executive strength in depth. They contributed the experience and PE know-how for MBO1's delivery in December 2010, when Dunedin LLP invested £31m in CitySprint.

Fast forward to February 2016: CitySprint completed a secondary MBO ("MBO2"), the Exit for MBO1. With no new senior hires, the company had:

- Tripled sales: from £52m to £146m;
- Entered new markets; enhanced operational platforms; created market-leading technology innovations;
- Completed 21 Acquisitions successfully;
- Increased EBITDA: from £5.9m to £16.8m.

Accelerating Experience had led the growth of the Executives' capability, providing advice and challenge throughout the six years to support strategy realisation and implementation. They brought previously unconsidered ideas, injecting pace and raising performance in 4 ways:

- The CEO and FD were prepared for MBO1;
- The new Executive team's business and people leadership capability was enhanced exponentially, individually and collectively;
- Senior managers were upskilled, deepening the leadership capability across the business. All leaders now address value enhancing subjects together, not internal issues alone;
- Business and HR advice, strategic and tactical, had helped deliver CitySprint's rapid growth.

7 of the 8 MBO1 Executive Team members formed the MBO2 team (the eighth had left soon after MBO1). This is the defining statistic in this business growth story, and the scale of Executive growth from the level of inexperience at its start.

MBO2 was an acid test of the Executives' capability. New investors Lloyds Development Capital noted 2010-15's growth and had confidence in their continuing ability to grow CitySprint's core business in future.

"Accelerating Experience's partnership approach was a terrific catalyst, both in the quality of their advice and in the way they motivated us to want to do more together to achieve our plans. Without their contribution to create such strength in depth in our Executive management team, we would not have been able to grow as fast or create such a high Exit value for the company." Patrick Gallagher, CEO CitySprint



"To us, investing in management teams is mission critical for sustainable business success. Accelerating Experience's contribution generated extra value and de-risked this MBO.

We were delighted with the results." Nicol Fraser, Partner, Dunedin LLP