

News

28 October 2013

Lonsdale acquires a majority stake in OTEAC.

Sandy Brown is delighted to announce that a majority interest in the Company has been acquired by Lonsdale Capital Partners (“Lonsdale”). Lonsdale is a UK-based private equity firm which invests primarily in small and medium-size companies which have strong management and good growth prospects.

This is Lonsdale’s third deal in the last twelve months. Oteac is a market leader on providing integrated fire and safety services, both offshore in the oil and gas sector, and onshore in the UK. The tougher regulatory environment has led to much stricter requirements on the company’s clients for Oteac’s engineering services.

Oteac was acquired by Sandy Brown in 2007 and Bill Hogarty joined in 2009.

Both will continue as directors and shareholders in Oteac. Bill will continue as CEO of the company and he, together with senior management, will hold a significant stake.

Sandy Brown commented that “Oteac has grown strongly in sales and profits in recent years. Lonsdale can help us boost this growth with its ambition, capital and expertise. We were particularly impressed how they developed and grew Aberdeen-based OEG, the supplier of offshore oil and gas containers, during their ownership.”

Bill Hogarty, Oteac CEO endorsed this, “We have a strong business model with a primary focus on customer service excellence, delivered by high calibre and committed personnel. The specialist nature of our business, delivering products, services and engineering in fire, safety and lifting and testing, provides us with a solid model on which to build for the next exciting chapter of our successful growth.

Lonsdale’s David Gasparro added that “Oteac’s emphasis on top-end engineering solutions, its strong client focus and the scope and ambition of management to grow the business from a very successful platform are extremely attractive to us. We have had a good meeting of minds with Bill and Sandy.”

Banking facilities have been provided by RBS. Lonsdale represents a group of institutional and family office investors, which include Souter Investments. Lonsdale was advised by Anderson, Anderson & Brown LLP, who initiated the transaction, and also by Dundas & Wilson LLP.

