

TS Provider to Key Capital Partners on its investment to support the MBO of Construction Materials Online



Deal overview:

Key Capital Partners (KCP) has acquired a majority stake in Construction Materials Online (CMO), backing an MBO of the £25m-revenue business that employs 40 staff. CMO, headquartered in Plymouth, is an online retailer of construction materials that has grown sales by 55 per cent in the last 12 months through its RoofingSuperstore.co.uk, DrainageSuperstore.co.uk and InsulationSuperstore.co.uk websites.

The investment was led by KCP's Mike Fell, Philip Duquenoy and James Excell. Mike and Philip will join the board of CMO alongside operations director Callum Tasker, technical director Chris Dorey, e-commerce director Adrian Saunders and marketing director Liz Orgill.

As part of the MBO, former Gear4music chairman Dean Murray will join CMO as Chairman to lead the business through its next stage of growth.

Clydesdale Bank Corporate and Structured Finance team in the South West and Midlands, led by Ian Howey and Ian Mansell, provided senior debt and working capital facilities to support the KCP investment.

About the parties:

Construction Materials Online (CMO) is a leading online supplier of construction materials in the UK.

An innovator, the company challenges traditional channels in the distribution of building materials, providing the convenience of online retail with comprehensive product knowledge.

Key Capital Partners are an experienced investment team in the UK and a leading player in the smaller buy-out market. Their highly experienced team, all successful entrepreneurs and private equity investors, provide expertise and connections that make a real difference.

James Excell, Investment Director at KCP said:

"Wilson Partners provided invaluable support to the KCP team throughout the CMO transaction. Dan and his team demonstrated a strong understanding of the business and their report focussed on the key issues relevant to KCP."

Ian Howey, Director at CYBG said: "A very well constructed and user friendly report."

Dan James, Head of Transaction Services at Wilson Partners added: "It was great to work with the team at KCP on this investment. CMO's disruptive business model and vertical integration has positioned it for an exciting future."