

## STRATEGIC BUYERS ALWAYS PAY MORE THAN FINANCIAL BUYERS

### **The Challenges:**

- *Cost effectively develop objective options for growth*
- *Successfully connect strategic plan to execution*
- *Plan an exit strategy to get the most for your business*

#### **Satellite Music Australia**

SMA is a digital music distribution company with the largest collection of digitised music in the southern hemisphere. The business owners were in sale discussions with several trade buyers and were looking to show the strategic value of the business.

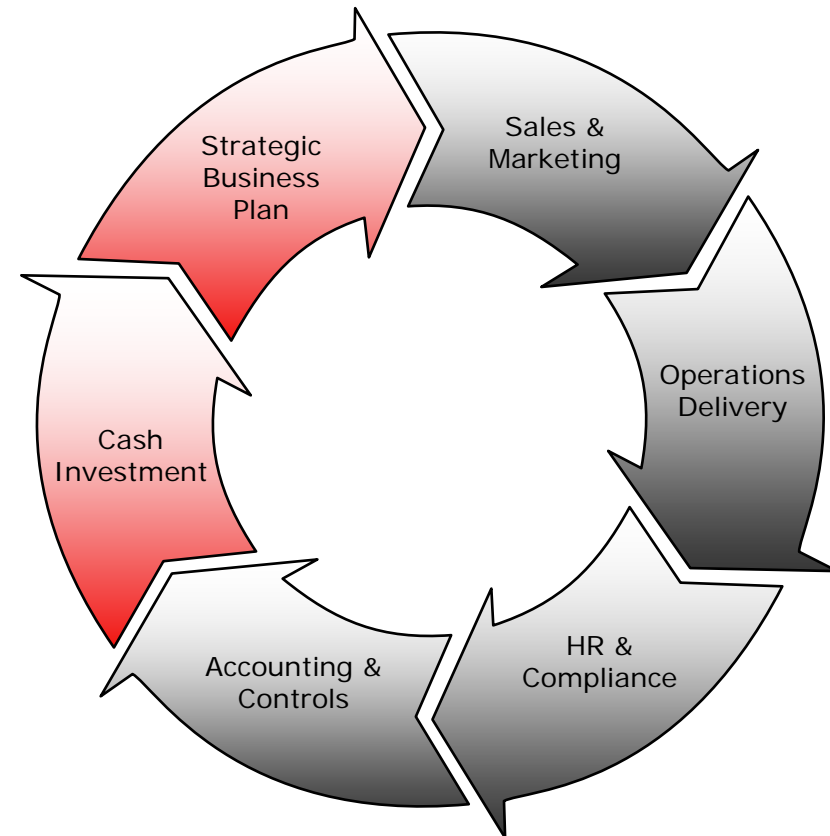
#### **What T&C did to help SMA:**

The acquiring company was looking to value the business on discounted cash flow basis (financial buyers approach).

T&C used the company financial information and extracted relevant industry statistics support a range of potential growth options that could be unlocked by the successful business purchaser (now an significant online portal). We produced business models and documentation that could be used by the company to justify a strategic premium for the business.

#### **The result:**

Final sale price, lifted by 20% above DCF method of acquisition.



### **Deliverables:**

- *Document company strategy*
- *Support business growth strategy*
- *Support divestment, acquisition, IPO, merger*