

# Octopus Investments acquires Golddigga

**The Golddigga fashion brand has been acquired in an £18.5 million buy-out by its management team and Octopus Investments, a leading fund manager and private equity provider.**

Octopus led and arranged the deal, introducing buy-in candidate Daniel Morris who joined the company in June as CEO. The founder and vendor, Aaron Thalmann, is re-investing part of his consideration in the transaction and will hold a major equity share. He remains committed to the growth of the business and will move to the role of Creative Director as part of the re-structuring.

Andrew Cavaghan of Octopus Investments said: "Golddigga is an exciting brand which is gaining increasing momentum in the market. Aaron has developed the business fantastically over the last three years. The opportunity we have now is to introduce new, incentivised, management to work with him in growing the business to the next level. Daniel has a strong and relevant track record within this sector and has been in the business working with Aaron to develop a cohesive management structure prior to completion."

Yorkshire Bank led the structuring of, and ultimate provision of, Yorkshire Bank senior debt and working capital facilities. Sue Varley, Director, Specialist & Acquisition Finance, Yorkshire Bank said: "We immediately were attracted to the business and would have been supportive of a number of funding structures – that said the final agreement was superb, with Aaron joined by another highly respected figure in the field, in the form of Daniel."

Cooper Parry acted as lead adviser to the transaction. Roy Farmer led the team and said: "The brand (golddigga) was created in 1999 and has achieved huge success and recognition over the past two to three years. With the company's recent rapid growth and significant opportunities for further growth, we always felt that this would be

an attractive investment opportunity for a private equity investor."

Debra Martin, a Senior Associate in Geldards Corporate Finance Team in Derby advised the Management Buy In team. She said: "The MBI team did a fantastic job in striking the right balance between the various interests at the same time as facilitating the deal. A lot of that came down to the combination of both industry and transaction experience within the team. I am sure that the team will continue to work well with the Funders and that, together, they will be able to develop a successful business much further. The team was a pleasure to deal with."

Hurst Morrison Thomson acted as tax advisers to management. Nick Byfield, a partner at HMT, said: "With the increasingly punitive tax environment for management equity returns, HMT were able to identify solutions that provided commercial advantages along with the tax efficiency."

Niall Fleming led the Carrowdale Ltd team that prepared the business plans and assisted with the sale process through to completion. Mr Fleming said: "Golddigga is a strong brand, has excellent people at every level and a quality customer base. The MBI team brings additional sales and marketing skills and the investment provides the opportunity for the business to grow the top line exponentially.

"We at Carrowdale would like to wish the whole team at Golddigga every success in the future. It has been refreshing to meet a team that has no fear of what the future will bring."

The legal adviser to Octopus was Martineau Johnson, commercial due diligence was provided by PBD Consulting.

## Golddigga MBO

Equity provided by:



Debt provided by:



A member of the **National Australia Bank** Group

Legal adviser to Octopus Investments:



MARTINEAU JOHNSON

Legal adviser to the management team:

**Geldards** LLP

Accounting services to the purchasers:



Carrowdale

Tax advisers to the management team:



HURST MORRISON THOMSON

Commercial due diligence provided by:



PBD Consulting