

# Canford buys computer business

**C**anford Group plc, a Tyne and Wear based manufacturer and supplier of broadcast and security equipment, has bought Ash Distribution for an undisclosed six-figured sum.

Turnover at Canford will rise from £17 million to £20 million and Ash's 22 staff brings the group's total to 200 as an outcome of the acquisition.

Ash Distribution, based in Longbenton, specialises in the distribution of computer accessories and peripheral equipment.

The legal team advising the vendors was led by Morton Fraser's corporate team partner Austin Flynn.

This was the first time the Edinburgh-based firm has acted for the sellers, having been introduced to them last year by

Patrick Angier of Beer Mergers.

Mergers and acquisitions specialists Acquisitions International-based in Kingsclere, Newbury, advised Canford in all aspects of the deal, and were led by Simon Glover.

They approached Angier of Beer Mergers, who introduced the two firms. "We met Angier thorough our network of merger and acquisition contacts," remarked Glover.

He added: "The acquisition made geographical sense, as the companies are less than 10 miles apart.

"For Canford this is a long-term venture, they plan investment and future growth for the company."

Robson Laidler LLP provided financial and specialist tax



■ Simon Glover, Acquisitions International

advice to the vendors, led by Michael Moran who was assisted by Graham Purvis and David Thomas.

"The shareholders of Ash Distribution have achieved their goals of realising value for their retirement and ensuring the continued success of the businesses they've built by the sale," Moran said.

He added: "Ash is a long-standing client and we are pleased that the shareholders were able to achieve a sale without a significant complication."

"They (Ash) have £3 million of sales now and we would hope to get that to £5 million within two years. If in three years time we have 220 people, that is the kind of growth that we would expect," said Canford's chief executive Hugh Morgan Williams.

Synergies are also expected as a result of the takeover: "Our takeover of Ash is strategically significant. Most of our 25,000 customers would be interested in buying computer accessories, so there is a synergy in the

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■ Michael Moran

customer base, and an opportunity to improve the range and for Ash's customers to buy from Canford.

"They will continue operating as before, but we do have plans to expand the business quite considerably over the next 12 months," he added.

Ken Ash said of the acquisition: "We are very pleased that our company has found such a good home. Canford's strengths in distribution, finance and IT infrastructure will enable the company to grow at a faster pace." ■

*This announcement appears as a matter of record only*

## Canford Group plc acquisition of Ash Distribution Limited

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M&A advisers:

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Legal adviser to the vendors:

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Reporting accountants to the vendors:

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