

Telecoms Distributor Rings the Changes

Management buy-in of Fone Logistics



Strategic Corporate Finance acted as lead advisor to a Management Buy-in at Fone Logistics, one of the UK's largest distributors of mobile phones, mobile phone connections and mobile call airtime.

The team comprised Ian Gillespie, who sold a controlling stake, but retained a 33% interest and stays on as managing director, Gary Fawcett and Mike Bower. Messrs Fawcett and Bower have great expertise and experience in the sector, Mr. Fawcett also being major shareholder and Managing Director of West Yorkshire based Link Telecom Holdings – a £20 million turnover provider of telecom solutions to businesses.

Fone Logistics achieved sales of £71 million in the latest full year and should surpass that with a figure in excess of £85 million in the current year. The company is one of only two distributors who have contracts to supply on behalf of all 5 major UK mobile phone networks.

This was a complex deal because of the dynamic telecoms sector in which the target company operated, combined with the complex nature of its operations. The transaction was completed because all the advisors and the bank worked together to overcome significant and complex issues.