

Case study

Acquisition overview – UK Dry Risers

UK Dry Risers Ltd and UK Dry Risers Maintenance Ltd have seen exceptional growth following their acquisition by PTSG in July 2016, ending the financial year on a real high. UK Dry Risers Ltd carried out a record number of installations during its first six months as a PTSG business, with the total length of systems installed enough to cover over 440 football pitches.

Cross-selling opportunity

Majority of competitors only operate in single lines whereas PTSG operates across several.

The turnover of UK Dry Risers Ltd increased by 10 per cent in the six-month period following its acquisition. UK Dry Risers Maintenance Ltd also saw a significant increase of 37 per cent in its turnover. This is particularly pleasing as the installation business is more mature than its maintenance counterpart, so the great growth of UK Dry Risers Maintenance Ltd signals the division as a whole is moving rapidly in the right direction.

This is a text book example of the way PTSG's targeted business acquisition strategy brings mutual success for both the Group and the new company. The initial integration period, involving the change-over of accounting procedures and the rolling out of the Company's reporting suite, takes only two to four weeks, with the due diligence period typically taking between three and six months beforehand.

One of the main drivers for the acquisition was the potential for cross-selling the specialist services of the companies to PTSG's 15,000+ customer base, where before the companies serviced their existing customer base of 500.

Dry and wet riser systems are specially designed fire-suppression systems required in high-rise commercial and residential buildings. The risers are used to distribute water throughout all levels of the buildings in the event of a fire, allowing fire rescue teams to fight fires from outside multi-storey buildings.

With the acquisition of UK Dry Risers, PTSG's electrical services division now provides a more comprehensive fire services solution, helping to ensure the safety of electrical equipment, installing and maintaining emergency lighting and installing systems like these to protect buildings of all sizes from fire. However, there is considerable scope to develop this offering further, with services such as the installation and maintenance of fire extinguishers.

For now, PTSG and our new dry risers installation and maintenance team are relishing the potential for further growth, with the opportunity to work across the Group's vast customer base.



Acquisition

In 2016 PTSG acquired UK Dry Risers Ltd (UKDR) and UK Dry Risers Maintenance Ltd (UKDRM).

Growth

17%

Combined Dry Riser 2016 increase in turnover.

Market

Market leading

PTSG has the largest market share in the access and safety market, lightning protection and dry riser maintenance and installations across the UK. The Company uses this dominant position to affect the competitive landscape and direction the market takes – setting the tone for messaging and becoming engrained in the FM industry as the brand that consumers associate with the services it offers.

New market

PTSG has a strong track record of entering new markets, underscored by the 20 symbiotic business acquisitions it has undertaken in the last ten years. The business has diversified from access and safety into electrical services, high level cleaning and, in 2016, dry riser installation and maintenance.

Opportunity

Cross-selling

PTSG's business model is such that it can enter a market with one product and/or service before eventually becoming the service provider of choice across more areas. This was part of the founding business philosophy and is a key factor in PTSG enjoying such a high market share. Organisations in the FM sector tend to like this one-stop-shop approach.



Delivering success

Manchester Airport cross-selling opportunities.

A clear illustration of this strategy in action was a recent project at Manchester Airport. PTSG was initially contracted to carry out testing of the airport's fall arrest system. This was extended to its lightning protection systems as well as its dry risers. The resulting work gave Manchester Airport's management team the peace of mind that its staff and customers are as safe as possible at all times. They also enjoyed the convenience and cost-saving of not having to procure each service individually.