

*Introducing Two New Services  
That Will Change  
Your Perception Of Consultancy*

**STRATEGIC CONSULTANCY SERVICE**  
**and**  
**CORPORATE FINANCE SERVICE**

**From**

**WBG Associates Limited**

**Strategic Solutions, M&A and Corporate Finance**

## **STRATEGIC SOLUTIONS, M&A AND CORPORATE FINANCE**

WBG Associates Ltd (WBG) has designed two specific services to provide clients with tangible solutions to corporate objectives:

- **STRATEGIC CONSULTANCY SERVICE (SCS):**  
Achieving growth through excellence, innovation and efficiency
- **CORPORATE FINANCE SERVICE (CFS):**  
Support for the client's strategy on acquisitions, disposals and funding

Depending on their needs, clients may subscribe to either or both of these innovative solutions. They both offer clients full time access to specialist consultancy expertise on a cost-effective basis; the SCS in relation to ongoing business issues; the CFS helping with acquisitions, disposals and funding issues on an ongoing basis. They are built around WBG's philosophy of developing in-depth relationships as a retained adviser and on-call partner. WBG's unique approach to value-based consultancy has led to partnerships between WBG's consultants and a wide range of organisations, from local businesses to FTSE 100 and Fortune 500 companies.

Whichever service a client is interested in, the process starts with a No Obligation, No Fee meeting, at which both sides can assess the benefits of developing a long-term relationship. On engagement, WBG clients pay a modest monthly retainer and in return obtain a dedicated, on-call business partner, offering a quantified commitment. WBG's consultants are a resource that clients can access anytime on key strategic issues. There are no hidden costs or surprise bills. Clients also benefit from significant fee reductions on any follow-up projects. Also, if after 3 months of the contract commencing the client is not satisfied that the relationship is adding value, they can terminate the engagement without further payment.

## **STRATEGIC CONSULTANCY SERVICE (SCS)**

This service integrates leading -edge practice in the fields of Strategy, Marketing, Operations and HR to resolve real business problems – for example; achieving growth, entering new markets, or becoming a market leader. WBG, as the in-house strategy partner, supports the management team from strategy development through all the key stages to implementation. WBG's approach is based on a thorough understanding of the need to maximise current strengths and move toward a differentiated competitive position. WBG's proposition is distinguished by being holistic, integrated, personal, collaborative and long-term.

## **CORPORATE FINANCE SERVICE (CFS)**

CFS complements and develops the SCS through specific input on acquisitions, disposals and funding. This integrated approach allows WBG to fully understand the key issues and how to resolve them. Additionally, WBG supports the management team in any post-activity integration issues.

### **KEY CLIENT BENEFITS OF SCS AND CFS**

- A No Fee, No Obligation meeting to assess suitability and 'fit'
- An independent and objective resource to advise management on all aspects of Strategy and Corporate Finance
- Costs are quantified in advance
- Special rates on follow-up projects
- Access to the WBG investor network and City contacts
- Fees are results oriented
- No hidden costs or surprise bills

The specific details of each service, the delivery, partnership philosophy and pricing are outlined on the following pages.

## **STRATEGIC CONSULTANCY SERVICE - DELIVERABLES**

The SCS includes a No Fee, No Obligation meeting to assess suitability and 'fit', also on-call access to WBG by telephone or email throughout the term of the contract, quarterly review meetings with management and up to three interim meetings to cover specific developments. Subscribers also benefit from substantial discounts on any project work that arises from our ongoing partnership.

WBG, as your retained partner, develops solutions throughout each phase of the process, including:

- **Strategy Formulation and Development, Competitive Position Assessment, Market/Competitor Analysis, Client Research, Communicating and Delivering Strategy**

The WBG approach involves taking senior management through a high-level assessment of current capabilities and opportunities to develop a blueprint for future growth, for example; building market share, entering new markets or exit routes. Within 90 days of appointment WBG presents a Strategic Analysis for approval.

The focus is then on translating the strategic intent into operational reality. In order to ensure progress against specific targets, there are quarterly review meetings with management at no additional cost. Key follow-up steps include:

- **Agreeing key strategic issues**
- **Developing a priority action plan**
- **Drawing up specific proposals to address each element of the plan**
- **Providing a full costing for each phase**
- **Agreeing key success factors and deliverables**
- **Setting out the requirements for implementation**

## SUMMARY OF SCS FEES

The SCS is based on an annual contract paid in monthly instalments of £475 (+VAT). This fee allows management full access to WBG's strategic expertise. It also includes the cost of the Strategic Analysis Report in the first quarter and subsequent meetings throughout the year. After a preliminary No Fee, No Obligation meeting, the SCS service, as stated above, includes on-call access to WBG by telephone or email throughout the term of the contract, quarterly review meetings with management, and up to three interim meetings to cover specific developments. Subscribers also benefit from substantial discounts on any project work that arises from our ongoing partnership. Clients may terminate the contract after 3 months without penalty. Project work is agreed on a flat-fee basis using the special rates shown in Table 1:

SERVICE	STANDARD (ex VAT)	SUBSCRIBER (ex VAT)
Strategic Consultancy Service	£900 day rate (per consultant)	£750 day rate (per consultant)

Table 1: Comparison of Fees for Subscribers

## **CORPORATE FINANCE SERVICE - DELIVERABLES**

The WBG approach involves an initial no fee, no obligation meeting to assess suitability and 'fit'. On engagement, WBG will initiate consultation to integrate organisational strategy into a Corporate Finance action plan. WBG then focuses on the relevant processes to deliver it, including:

- **Mergers & Acquisitions**
- **Business Sale (disposal or outright sale)**
- **Valuation**
- **Strategic Alliances and Joint Ventures**
- **Funding (project or acquisition)**

The specific deliverables for each process are summarised below.

When the client seeks an **Acquisition**, the process includes:

- **Targeting**
- **Preparing a Strategic Market Map<sup>1</sup> to focus activities**
- **Research to identify suitable targets**
- **Referral of potential targets, pre-vetted for strategic fit**

Once suitable acquisition targets have been agreed upon, WBG advises through to completion on:

- **Confidential approaches to target companies**
- **Valuation**
- **Negotiation**
- **Due diligence – as part of the advisory team**
- **Finalisation of contracts**

Fees are success based, at a rate of 2.5% of the gross consideration payable for the acquisition.

WBG also works with the management team post-acquisition to integrate new businesses into the organisational structure.

**Business Sale** covers:

- **Preparation of the Information Memorandum**
- **A Valuation report (for the seller only)**
- **Drawing up a list of potential acquirers**
- **E-marketing the WBG network and trade buyers**
- **Completion of the sale**

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<sup>1</sup> A Strategic Market Map includes the possibility of forward, backward and vertical integration, rather than being limited to immediate competitors.

The Information Memorandum / Valuation costs are quantified in advance, and upon successful completion of the sale clients pay a one-time fee of 4% of gross consideration realised.

**Strategic Alliance / Joint Venture projects** analyse:

- **The likely fit and success of the venture**
- **Recommendations on alternative growth strategies**
- **Evaluation of risk**

Day rate fees for subscribers are £750 (standard £900) + VAT.

WBG also advises clients in hostile takeover situations and on MBO's.

**Funding** includes:

- **Preparation of the Information Memorandum for investors**
- **Drawing up a list of potential investors (institutional, private and trade)**
- **Marketing the WBG investor network**
- **Obtaining the required level of funding**

The Information Memorandum costs are quantified in advance, and upon successful completion of the project clients pay a one-time fee of 4% of the gross consideration received from the investors.

## SUMMARY OF CFS FEES

The CFS is based on an annual contract paid in monthly instalments of £395 (+ VAT). This allows management full access to WBG's resources, investor network and City contacts, including the referral of potential acquisition targets. The CFS service includes the on-call access to WBG by telephone or email throughout the term of the contract, and quarterly review meetings with management to assess progress and strategic developments. Subscribers also benefit from substantial discounts on any transaction work that arises from our ongoing partnership. Clients may terminate the contract after 3 months without penalty. Transaction work is agreed on a flat-fee basis using the special 'Subscriber' rates shown in Table 2 below:

SERVICE	STANDARD (ex VAT)	SUBSCRIBER (ex VAT)
Information Memorandum and Valuation	£7-15,000 (range)	£6,500 flat fee
Valuation (free standing)	£900 day rate (per consultant)	£750 day rate (per consultant)
Introduction of acquisition targets	£4,000 flat fee	Included in acquisition fees
Acquisition	3% success fee	2.5% success fee
Business Sale or Funding	5% success fee	4% success fee
Post-Activity Integration	£900 day rate (per consultant)	£750 day rate (per consultant)

Table 2: Comparison of Fees for Retained Clients

## COMBINED SERVICES

Clients that choose both the SCS and the CFS receive a 15% discount and pay a monthly fee of £750 (+VAT).

## **APPENDIX ONE – The WBG Team**

### **CONSULTANTS**

#### **Wayne Giesbrecht BSc (Econ) Hons, MBA, MSI**

Wayne has over 15 years' experience in the Financial Services Industry, covering investment management, private and merchant Banking and Corporate Finance. He has general management experience at both Managing Director and Head of Business Development level, and has been involved in acquisitions and company valuation for many years. He has personally led consultancy projects with Merrill Lynch Investment Management, Leopold Joseph, and in the Leisure and Business Services areas.

#### **Paul Flitcroft MBA (Ashridge)**

Paul has over 15 years' senior-level strategic marketing, management and consultancy experience in Financial/Professional Services and FMCG. He has extensive international experience, particularly in the USA and Italy. His expertise covers Strategy, B2C/B2B Marketing, Corporate Finance and Value Based Management. Paul has also led major consultancy projects in retail banking strategy, specifically the UK and European Savings and Investments industry.

#### **Simon Hill BEng, ACA, MBA**

Simon has over 16 years' experience in the technology, media, finance and professional services sectors, working at senior management levels across EMEA. His focus has been general management and developing consultancy service businesses.

#### **Malcolm Locke BSc (Hons), MSc, MBA**

Malcolm has over 12 years' experience in the professional services, e-business and pharmaceuticals industries, working at senior management levels in the USA and EMEA. His focus has been general management and leading business change and performance improvement projects.

### **ADVISORY PANEL**

WBG has a vastly experienced Advisory Panel that contains experience at the highest level of a variety of industries. Panel members advise the team on an ongoing basis, and greatly augment our expertise and networking capability. Our website contains full details.

## APPENDIX TWO – WBG'S METHODOLOGY

### SERVICE STRUCTURE – AN INTEGRATED APPROACH

WBG believes that in order to achieve tangible results it is necessary to link the key business functions. Strategy, correctly applied, provides this connection and WBG's services have been designed from this perspective. The linkages are shown in Figure 1.

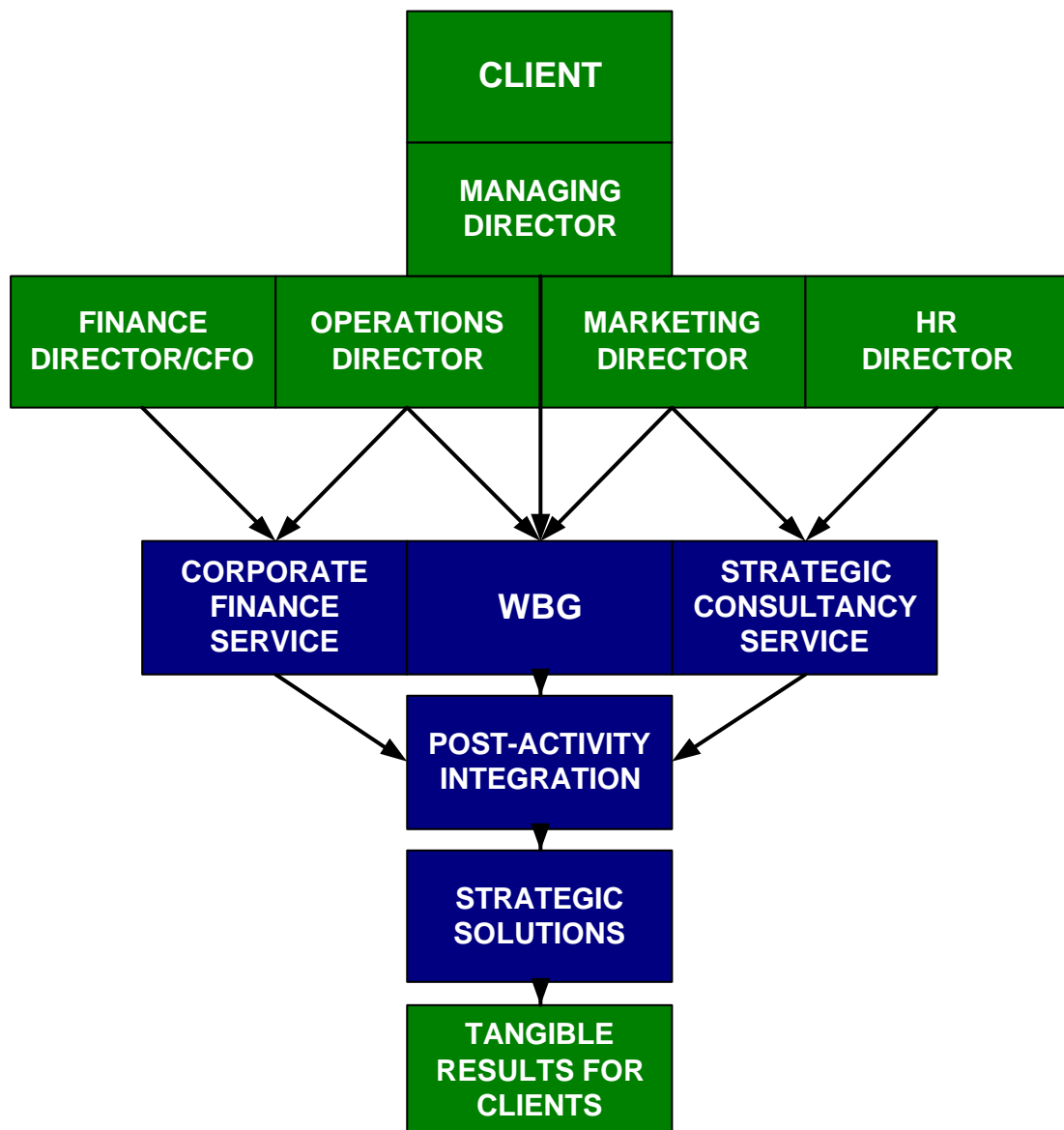


Figure 1: WBG Services and Client Relationships

## WBG'S STRATEGIC PERSPECTIVE

Today's fast-moving business environment requires creative foresight, allied to financial rigour, in order to seize future growth opportunities. Internally, this involves an understanding of four key questions that need to inform organisational strategy:

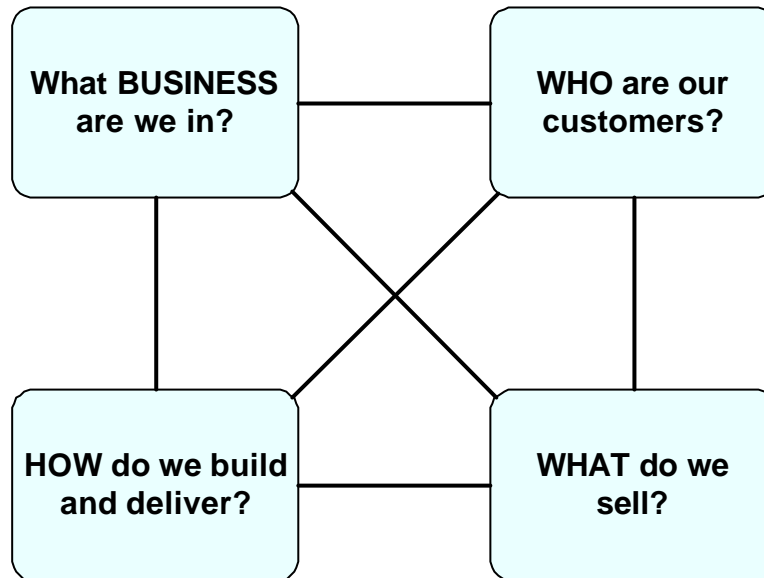


Figure 2: Key Questions to Inform Organisational Strategy

Based on this understanding an organisation can build a realistic business plan to show where it wants to be in five years' time that will also take account of industry shifts over the same timeframe.

This approach fits with leading edge strategic thinking that points to the necessity of achieving a differentiated competitive position, as can be seen in Table 3:

RESTUCTURING OPERATIONS	REENGINEERING PROCESSES	REINVENTING INDUSTRIES	REGENERATING STRATEGY
Divestments	Quality	Challenging assumptions	Developing strategic intent
De-layering	Speed	Searching for foresight and discontinuities	Building core competences
Merging and/or de-merging, downsizing	Customer satisfaction	Redrawing market boundaries	Developing strategic architecture
<b>SMALLER</b>	<b>BETTER</b>	<b>DIFFERENT</b>	<b>DIFFERENT</b>

Table 3: Competing for the Future. *Source: Hamel (LBS)*

WBG's approach covers the spectrum of strategic options, from restructuring right through to regenerating strategy.

Additionally, this strategic focus provides a clearer understanding of the factors of competition that will be required in tomorrow's marketplace. The configuration of these factors is central to a distinct and differentiated position, as shown in Figure 3. This process needs to inform the Organisational Strategy and the Corporate Finance function that supports it.

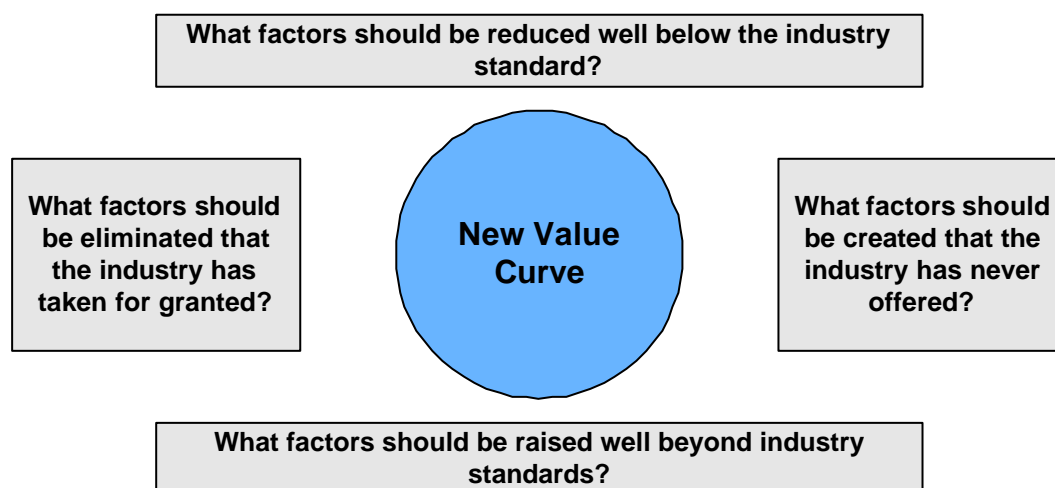


Figure 3: Creating a New Value Curve. *Source: Kim Chan (Insead)*

## HOW TO JOIN SCS, CFS OR BOTH

The first step is to arrange a **No Fee, No Obligation** meeting to assess whether we would both benefit from entering into a longer-term partnership.

In the first instance please contact us by e-mail on [wbgassociates@aol.com](mailto:wbgassociates@aol.com).

Alternatively, telephone Wayne Giesbrecht on

07817-335147

or telephone Paul Flitcroft on

07814-449692

Or write to us at:

WBG Associates Limited  
7 Quaker's Mede  
Haddenham  
Bucks  
HP17 8EB

Our website Address is – [www.wbgassociates.co.uk](http://www.wbgassociates.co.uk)

We will be pleased to discuss both services with you in detail, following which we will send you a Letter of Engagement containing a Non-Disclosure Agreement.

Fees are payable quarterly in advance, and are quoted exclusive of VAT and normal business expenses (agreed in advance), which are payable for SCS, CFS or project and transactional work.

A Non-Disclosure Agreement will be signed by both parties.