

CASE STUDY | NetDespatch



NetDespatch enables a broad range of ecommerce partners, including UK parcel companies and overseas postal services, to track deliveries from the point of despatch to the final destination.

Carriers use NetDespatch's Software as a Service (SaaS) platform to provide their own e-commerce clients with web-based applications and services that improves the service they offer to shoppers.

When NetDespatch began considering a sale of its business, the company turned to FirstCapital for help.

The Challenge

FirstCapital's SMART Dealmaking Framework provided a structure that enabled NetDespatch to shape its proposition as part of the deal process.

Mike Park, NetDespatch's CFO, said: "Before we could get to the point where we were actually ready to talk with potential buyers we needed to articulate the strategy for our business and the value proposition. FirstCapital helped us to add value by working with us to define what is at the heart of our organization, its potential and its opportunity."

Once the market positioning and core messages were agreed, FirstCapital and NetDespatch worked together to identify potential buyers, where there was a strong strategic rationale for a win-win deal.

Mike Park added: "FirstCapital has existing relationships globally with the biggest players and they delivered excellent access to the key interested parties in a very targeted, very focused way."

Jason Purcell, FirstCapital Co-founder and CEO, said: "Working alongside the NetDespatch team we developed a clear positioning for the company and we identified a strong rationale for an approach to Royal Mail. We could see that strategically this would be an important deal for both parties."

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The Result

The sale of NetDespatch to Royal Mail provides a powerful combination of Royal Mail's pre-eminent delivery process with NetDespatch's innovative SaaS platform.

For NetDespatch, it provides an opportunity to expand globally while keeping key personnel in place to drive the business forward. While for Royal Mail, it is an opportunity to deploy technology that could transform its e-commerce business and put them in a strong position for future growth.

Nick Landon, Managing Director of Royal Mail Parcels, said: "The acquisition of NetDespatch supports our strategy of providing our customers with leading edge e-commerce software. It allows customers with complex IT estates to integrate with us quickly and with the minimum of effort allowing them to improve the service they offer to shoppers.

"We are confident that this acquisition will support the continued growth of our parcels business with new and innovative software solutions as the needs of our customers evolve."

Matt Clark, NetDespatch's CTO, commented "We have the opportunity to grow our global offering as part of Royal Mail and our team is happy and excited by our prospects. FirstCapital made the right connections for us and its SMART dealmaking framework successfully drove the deal at every stage."

"I felt throughout that this was a personalized, flexible process from FirstCapital. It was tailored to our business and not a one-size-fits-all approach. It was exactly what we needed and it got us the deal that was best for the shareholders. It was smart, thorough and very professional."

Mike Park
CFO of NetDespatch

