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Magenta Partners secures first exit in sale of TAG Worldwide

Funds advised by Magenta Partners, (Magenta), the entrepreneurial growth investor, have secured their first exit in the sale of Tag Worldwide (Tag) to global Business Process Outsourcing company, Williams Lea Group. Tag Worldwide is the largest independent media design and production agency in the world with a strong blue chip customer base including H&M, Coca Cola, RBS, Land Rover, Sony and Unilever. The sale is the first exit from Magenta's current portfolio (Magenta launched in January 2008) and represents an IRR of 42 per cent.

Magenta, which specialises in the SME growth investment space, has advised on 8 investments to date, most recently in specialist maternity and childrenswear retailer Jojo Maman Bebe. Magenta's principal founder investors are the Singh Family Trusts (Tom Singh, founder of New Look, is one of the UK's leading retail entrepreneurs) and it is now seeking to expand its investor base.

Commenting on the deal, Tom Matthews, a partner at Magenta said: "Tag is a great business with a great management team. Its market-leading service offering and management's focused execution of growth opportunities have cemented the business as an out and out market leader in its space, ultimately yielding a strategic premium to shareholder value. We wish them every success in the next phase of their growth."

The business has grown to over £100m of turnover in 2010 off the back of continued investment in new office openings, expansion in service lines and product development and continued success in winning new blue chip clients.

Steve Parish, who is CEO of Tag and also Chairman of Crystal Palace Football Club comments: "Magenta have a more innovative approach than other PE players we encountered, and struck a chord of partnership from the outset. Against a backdrop of rapid growth, Magenta were able to support us in bringing an increased objectivity to the business and helping define the strategy going forward. We are now well placed to drive the business and continue our geographical expansion in the emerging markets."

Tag is headquartered in London, has offices in 10 countries and employs 1,100 people. It is a world leader in media design and production and it simplifies the marketing process for its clients by implementing marketing campaigns across multiple delivery channels e.g TV, newspapers, magazines, brochures, direct mail and the internet, in over one hundred different languages.

Advisors:

Financial – RW Baird, David Silver & Anand Baldawa

Vendor due diligence – BDO Stoy Hayward

Legal – Herbert Smith, James MacArthur

Legal (Management) – Rosenblatt Solicitors, Ian Rosenblatt and Nick Foss-Pedersen