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### **PRESS RELEASE:**

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### **DEPARTMENT OF CLIMATE CHANGE CREATES ADDED IMPETUS FOR SALE OF SUCCESSFUL WARWICKSHIRE COMPANY - GEOTHERMAL SUPPLIES LTD.**

Warwickshire success story, Geothermal Supplies Ltd (GSL), has been sold to Marton Geotechnical Services Ltd (MGS) of Bury St Edmunds in all cash deal.

GSL is the largest distributor of pipe and drilling supplies for the Ground Source Heating and Cooling industry. MGS, with a fledgling geothermal supply division, is the premier distributor of pipe and drilling supplies for the landfill sector.

Martin Clegg, founder and Director of MGS says "The acquisition and merger of GSL with our geothermal supplies division puts us in pole position to dominate the supply industry for the fast growing ground source heating and cooling market. The recent announcement of the Renewal Heat Incentive (RHI) by the Department for Climate Change provides added impetus to this important sector aimed at meeting our national carbon reduction targets."

Kevin Bottomley, Managing Director of GSL who will be charged with running MGS' expanded geothermal supplies division says "The acquisition of Geothermal Supplies by MGS creates the leading single source supply of equipment and materials to the geothermal market. The joint experience of the personnel will offer unrivalled understanding of the technical issues relevant to this renewable energy sector."

GSL's founders, brothers Iain and Andrew Howley, also own and run Nuneaton based Loopmaster (Europe) Ltd (LME) the premier design consultancy to the Ground Source Heating and Cooling sector. LME has recently started offering a Design and Build service, and this put us in competition with GSL's customers, hence the need to sell this successful business.

"We retained the services of Kroeger & Co, a specialist mergers and acquisition advisory firm, to find a buyer for GSL which would allow it to meet its growth objectives and for us to realise our investment", said Andrew Howley. "Peter Kroeger allowed us and the management team to focus on our businesses. He prepared all our company sales documentation, researched potential acquirers, set the agendas and chaired all meetings. With the selected buyer, MGS, he helped us negotiate the price and the terms. Having done that he introduced us to a first class legal adviser, Andrew Niblock of Keystone Law. Together they reviewed all the due diligence response and negotiated the detail of the Sales and Purchase Agreement and the Service Agreements for the Directors transferring with the business to MGS."

Iain Howley commented, "Selling a business is an extremely complex thing to do. You have to have total trust and total confidence in whoever handles it for you. We found exactly that in Peter Kroeger. "

