

## **Lyceum Capital invests in DMC Canotec**

Lyceum Capital, the leading investor in UK business services and technology companies, is pleased to announce that it has agreed an investment in DMC Canotec, one of Britain's biggest providers of managed print and document management services.

The transaction marks Lyceum's first new platform of the year and has been funded by a number of Lyceum's existing limited partners, as well as new institutional investors.

DMC Canotec was established in 1991 by CEO Jon Hill and his business partner Justin Nicholson. They have overseen the growth of the group to establish it as one of the largest and most advanced independent suppliers of print, archive and document management systems in Europe. DMC, based in Croydon, Surrey, employs over 170 people and serves clients across the SME market, with high-levels of recurring revenues.

Having recruited Simon Davey as Managing Director in 2016, DMC Canotec has grown revenues by more than 24% since his appointment. Lyceum is investing alongside Jon and his management team to support the continued growth and development of the business and enable the company to make further acquisitions to broaden its portfolio of managed services. Lyceum sees an exciting opportunity to accelerate DMC Canotec's consolidation of what remains a highly fragmented market, with over 300 companies in the UK.

Lyceum has a strong track record of investing in tech-enabled business services and specialises in supporting companies with their acquisition strategies.

The deal was led by Lyceum partner Luke Kingston and the team included Tom Maizels, Matt Morris and Simon Hitchcock. Luke and Tom will join the DMC board.

The DMC transaction follows a busy period for Lyceum, which most recently backed Sabio Group in its £10m acquisition of Bright UK, a customer and employee satisfaction survey software provider. This was the fifth add-on made by Lyceum portfolio companies this year.

### **Luke Kingston, Partner at Lyceum Capital, said:**

"Having closely followed the managed services market for several years, we identified DMC Canotec as an outstanding business with huge potential for growth in a highly fragmented space. We look forward to working with Jon, Simon and the team to help the company realise its ambitions and lead consolidation of the sector."

### **Simon Hitchcock, Managing Partner at Lyceum Capital, added:**

"Following Lyceum's restructuring in January, we are delighted to have concluded the DMC investment. The transaction demonstrates the strong support of both key existing and new investors for the Lyceum platform. Our pipeline of new platform and add-on investments remains very strong and we look forward to concluding further deals later in the year."

### **Jon Hill, CEO and Co-founder of DMC Canotec said:**

"Since founding DMC, we have built a strong and scalable business and we are excited to partner with Lyceum. From the first meeting, we felt they would be a natural fit and it was clear they understood our values and ambitions for the business. The team and I look forward to drawing upon the skills and experience of Lyceum as we seek to grow our business even further."

### **Simon Davey, Managing Director of DMC Canotec said:**

“When partnering with a private equity firm to help grow our business, Lyceum was the ideal choice given their expertise and track record of backing acquisitive companies in fragmented markets. We look forward to working with them and growing the business over the coming years.”

Lyceum were advised by Deloitte, CIL, Harrison Clark Rickerbys, Rothschild, Spectrum Corporate Finance and Forward Corporate Finance. DMC were advised by Harbottle & Lewis and Bryden Johnson.

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### **About Lyceum Capital**

Lyceum is a growth investor providing capital to business services and technology businesses. We invest between £10m and £50m in fast-growing companies operating in fragmented markets.

We build strong partnerships with exceptional management teams and work alongside them to accelerate growth and achieve scale through acquisition. We seek to unlock the full potential of every business we back.

Lyceum portfolio of 13 investments includes Sabio, a Pan-European provider of Customer Contact technology, Bellrock the UK’s leading technology enabled provider of facilities management and property services, and Wireless Innovation, a high growth global provider of connectivity to the IoT and M2M markets.

### **About DMC Canotec**

DMC is a leading provider of managed print solutions including related hardware to more than 2,000 businesses across the UK. Combining expertise in business process automation and change management with customer-centric insights, DMC helps customers improve productivity, agility and ROI.

### **For further information:**

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