

# True North M&A Case Study

## Project Pinnacle

Screen-printed and Direct-to-film Transfers Manufacturer Acquired by Private Equity Firm



### Industry

Consumer Products



### Type

Commercial Screen Printing



### Years in Business

20+

## RESULTS AT A GLANCE

**8**

OFFERS SUBMITTED DURING THE PROCESS

**5x**

MULTIPLE PAID BY THE WINNING BID

## Screen-Printed and Direct-to-film Transfers in Manufacturing

The company operates in the screen-printed and direct-to-film (DTF) transfer segment of the decorated apparel industry, serving apparel decorators, promotional product distributors, and brands across the United States. These customers rely on transfer manufacturers to deliver speed, consistency, and print quality without carrying the fixed cost of in-house production. From an M&A perspective, this is a selectively active niche.

- **Customization, short-run orders, ecommerce, and on-demand fulfillment drive demand**
- **DTF has expanded the market, but it has also increased buyer scrutiny around quality control, repeatability, and customer retention**
- **Strong operators with brand reputation, recurring B2B relationships, and production discipline attract real interest**

Buyers' interest is steady, and favors businesses with:

- **Proven margins despite labor and input cost volatility**
- **Sticky customer relationships rather than transactional volume**
- **Operational maturity that supports add-on growth**

Strategic buyers often evaluate these businesses but pass due to integration complexity, service intensity, or scale preferences. As a result, competitive outcomes are earned through positioning and process.

This context shaped the transaction. Interest was broad, but only a subset of buyers had the patience and operational understanding to pursue the acquisition seriously.

## Company Summary

For more than two decades, the company had been built one customer, one order, and one relationship at a time. What started as a small operation serving local decorators has grown into a nationally recognized manufacturer of garment transfers used by apparel decorators, promotional product distributors, and brands nationwide.

The business earned its reputation the hard way: consistency when deadlines were tight, quality when mistakes were costly, and service when customers needed a real human on the other end of the phone. Employees stayed for years, and customers trusted the company with their brands.

By the time True North Mergers & Acquisitions (TNMA) was engaged, the founders were not chasing a transaction. They were quietly thinking about what came next, how to protect their employees, and whether there was a buyer who would truly understand what had been built.

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## The Decision to Explore a Sale

Selling the business was not about maximizing a headline number alone. It was about finding the right next steward. The founders wanted:

- **Confidence that employees would be respected and retained**
- **A buyer who understood craftsmanship, speed, and reliability**
- **Certainty of a close and a clean transition**
- **A partner who would invest in growth without erasing the company's culture**

TNMA's role from day one was to listen first, then design a process that reflected those priorities.

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## Process and Market Response

TNMA conducted a highly targeted, confidential marketing process that balanced competitive tension with discretion. In total, more than 100 prospective buyers contacted. Buyers received tailored positioning that reflected how they would view the business, rather than a generic narrative. In total, eight offers were received. Offers reflected a wide range of values, transaction structures, and ownership post-closing involvement.

## Why Did Some Buyers Pass on Pursuing?

Not every interested party was the right fit, and not every party chose to proceed. Several private equity firms stepped back after initial diligence revealed realities that did not align with their investment mandates:

- **The business required thoughtful, hands-on stewardship**
- **Near-term growth depended on reinvestment in salespeople, capacity, and systems**
- **Founder knowledge transfer was critical and could not be rushed**
- **The opportunity favored patient capital over short-hold-period strategies**

Certain strategic buyers evaluated the opportunity seriously but ultimately passed due to:

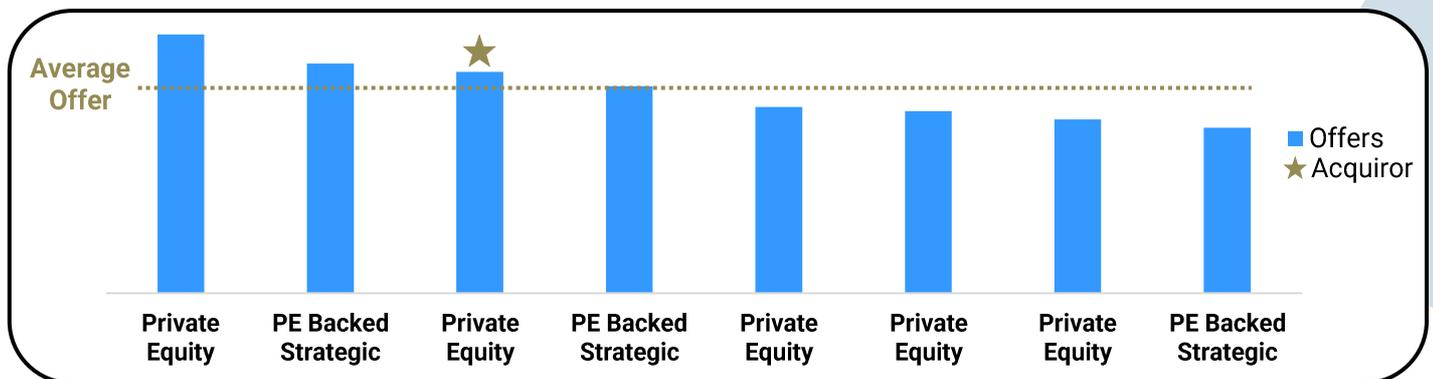
- **Integration complexity with existing platforms and operating models**
- **Strategic priorities that favored scale, automation, or international footprints**

True North viewed these outcomes as an important part of the process. Each buyer that passed helped clarify positioning, sharpen messaging, and narrow the field toward those who truly understood the business and its long-term potential.

## Selecting the Optimal Buyer

One buyer clearly distinguished itself. The selected buyer offered:

- **A clear vision for growth rooted in investment, not disruption**
- **Respect for the company's brand, people, and operating philosophy**
- **Certainty of close and a straightforward transaction structure**
- **Leadership continuity through the appointment of an experienced CEO**
- **The buyer took the time to understand the founders' story. They asked the right questions, listened, and treated the business like something to be cared for, not simply acquired.**



## True North's Role & Value

Achieving the right outcome required more than running a process. It required judgment, patience, and experience earned from advising founder-owned businesses through similar transitions.

True North guided the founders through:

- **Months of preparation to translate a life's work into an institutional-quality investment narrative**
- **Positioning the business in a way that attracted eight offers without compromising culture or confidentiality**
- **Managing competitive tension across financial and strategic buyers with differing motivations**
- **Navigating diligence, negotiations, and buyer psychology during moments of uncertainty**
- **Structuring a transaction that balanced valuation, certainty of close, and personal goals**

Equally important was the human element. Selling a founder-built company is emotional. It brings pride, doubt, relief, and responsibility simultaneously. True North Mergers & Acquisitions served as a steady, trusted guide throughout that journey. The value of TNMA's lower middle market expertise was reflected not only in the number of offers received but also in the quality of the buyer selected and in the confidence the founders had in walking away knowing they had done right by their employees, customers, and legacy.

## Results:

The transaction delivered a result that balanced value, certainty, and legacy:

- **A full exit for the founders**
- **A smooth transition plan that respected employees and customers**
- **A buyer committed to investing in technology, product lines expansion, and long-term growth**

For the founders, it meant closing a chapter with pride and confidence in what comes next for the business.