

AnaCap backs MBO of Simply Business

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AnaCap Financial Partners (“AnaCap”), the specialist European financial services private equity firm, and the management of Simply Business, one of the UK’s largest small business insurance providers have today announced the management buyout of Simply Business. Under the terms of the agreement, funds advised by AnaCap and Simply Business’s management will acquire 100% of Simply Business.

Established in 2005 by parent company Xbridge, Simply Business was amongst the earliest online brokers within the commercial insurance market. Using technology to simplify the process of buying small business insurance, the company has achieved rapid growth, from revenues of £4.2 million in 2006 to £22.9 million in 2012, and now insures more than 225,000 small businesses across the UK.

At present, the addressable UK market covers 4.8 million small businesses totalling around £3 billion of gross written premiums. The online element of this figure is forecast to grow at more than 25% a year as customers continue to switch to the online purchase of insurance products. Simply Business is, therefore, well placed to take advantage of the strong expected growth in this sub-segment of the insurance industry.

Simply Business is led by CEO Jason Stockwood, who joined the business in 2010 and has a successful background in e-commerce having held senior positions at Travelocity, Lastminute.com and Match.com. AnaCap’s Peter Cartwright and Ben Hollowood will also join the Board of Directors.

Peter Cartwright, Co-Managing Partner of AnaCap, commented:

“This is a rare opportunity to support the management buyout of a clear market leader in a fast-growing niche of the insurance industry. The management and staff have done an outstanding job of growing Simply Business over the past eight years and we look forward to working with Jason and his team to meet and exceed their ambitious plans for the future.”

Jason Stockwood, CEO of Simply Business, said:

“We have laid down the gauntlet to the commercial insurance industry in recent years, combining home-grown infrastructure and innovative products to place the customer at the heart of the business. The management buyout enables us to build on this success, accelerating our growth aspirations and vision for the future, while continuing to innovate and challenge the traditional industry model.”

AnaCap Financial Partners LLP (www.anacapfp.com)

AnaCap Financial Partners is Europe’s largest specialist private equity investor in the financial services sector. Based in London and investing across Europe, AnaCap advises funds with €1.7 billion under management across Private Equity and Credit Opportunities vehicles, as well as co-invest.

AnaCap’s Private Equity funds invest in European financial services businesses with strong, highly motivated management teams and provide the support and expertise necessary to create exceptional returns. Our network of relationships, which extends across the globe and throughout the financial services sector, enhances our ability to source investment opportunities, support high-quality management teams and identify and capitalise on growth strategies.

AnaCap’s role is to provide capital, strategic guidance and operational expertise to build highly efficient and scalable businesses. Furthermore, our considerable experience of working with regulators through multiple investments in commercial and retail banks positions us as a favourable counterparty for many sellers.

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The name AnaCap, an abbreviation of 'Analytics before Capital', forms the bedrock upon which our organisation is built. AnaCap takes a highly analytical approach towards the valuation and due diligence of potential investments, which is facilitated by the use of proprietary tools to price assets and which leverages our best-in-class, in-house capabilities.

The success of AnaCap's private equity and credit investment strategies and teams has attracted investment from highly regarded global institutional investors including Goldman Sachs, Allianz, Morgan Stanley Alternative Investment Partners, Honeywell, State of New Jersey and Adams Street Partners.

About Simply Business

Simply Business is one of the UK's largest business insurance brokers.

Launched in 2005, Simply Business provides an online brokerage service delivering policies tailored to individual business requirements. It has a team of UK based insurance specialists and employs over 140 people across offices in London and Northampton.

Simply Business insures over 225,000 UK small businesses and owing to its internal underwriting capability can cover over 1,000 trade types. It has been a Sunday Times Tech Track 100 company for the past three years and was recently named in the Deloitte Technology Fast 500 EMEA. Revenues have grown 44% a year from £4.2 million in 2006, to £22.9 million in 2012.