

## Real Deals

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### LDC INVESTS £9M IN SPEED CHECK SERVICES

#### PUBLIC SERVICES, UK

**TARGET** Speed Check Services

**MANAGEMENT** Bruce Brain

**CF** Equity Growth Partners - Matt Eves

**L** Roxburgh Milkins - Jason Milkins

**A** Deloitte - Sam Hart

**>IN** LDC - Ian Podmore

**CF** Target Corporate Finance - Jim

Shaw, Mark Harman

**L** Shoosmiths - Sean Wright,

Emma Gibson

**A** Ernst & Young - Mike Thorne

**A** PricewaterhouseCoopers - Simon

Viner, David Burke

**I** Willis - Brian Hendry, Jon Armstrong

**C** Andeman - Charles Gay

**MG** Tyler Mangan - Jonathan

Chocqueel-Mangan, Jana Klimecki

**D** HSBC Leveraged Finance - Kevin

Beevers, Paul Crocker, Melissa Leung

**L** Burges Salmon - Sandra Forbes

LDC has invested £9m (€10m) of development capital into UK traffic management business Speed Check Services in return for a significant stake.

Speed Check is based in Frimley, Surrey, and provides average speed camera systems that have "Home Office Type Approval" - a requirement for legal enforcement. Its products have been used by the Highways Agency and local authorities to improve safety on motorways and trunk roads during maintenance works, and in areas where there has been a history of collisions. The company was established in 1999 and its products have now been used in more than 250 locations.

Unlike more traditional fixed cameras, Speed Check's systems monitor motorists' average speeds, which means they issue fewer penalties, but reinforce safer driver behaviour.

Following the transaction, Bruce Brain will be appointed to Speed Check's board as chairman, with LDC investment director Ian Podmore also joining the board.

Speed Check had already spoken to private equity houses before LDC was involved, but the deal was off-market.

barriers to entry high, and it has strong relationships with the agencies it deals with, such as the police force, the Highways Agency and government."

Initial plans for the business include supporting continued organic growth and developing new products, said Podmore, with the possibility of entering new markets and developing Speed Check's service arm. The deal also includes a package of senior debt funding from HSBC Leveraged Finance put in place to support Speed Check's expansion.

Speed Check now has ambitions to double its annual sales over the next five years as local authorities increasingly switch to average speed cameras as an alternative to speed bumps and chicanes.

**"The business is in a highly regulated market, making barriers to entry high"**



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