

Practices & Industries

Entrepreneurship Through Acquisition (ETA)

Overview

Day Pitney advises acquisition entrepreneurs, including searchers and independent sponsors, pursuing the acquisition and operation of privately held businesses in the lower middle market. We work with acquisition entrepreneurs across a range of industries, including professional services, technology and software, manufacturing, business-to-business services, and other lower-middle-market sectors.

Our multidisciplinary team supports clients throughout the acquisition process, from forming the investment vehicle and raising equity through evaluating, negotiating and closing platform and add-on acquisitions. We provide practical guidance on transaction structure, governance arrangements, due diligence, financing, tax considerations and management equity incentives, with an understanding of the distinct objectives of searchers, sponsors, investors and owner-operators.

Our involvement often continues well beyond closing. Once an acquisition is complete, we help owners address the company's ongoing legal needs, manage risk and prepare for future growth. Clients benefit from coordinated access to Day Pitney lawyers across corporate governance, tax, finance, employment and employee benefits, intellectual property, data privacy and cybersecurity, commercial contracts, real estate and dispute resolution. This integrated approach allows us to provide consistent support from the initial search through business ownership, expansion and an eventual exit.

How We Support Clients

Fund and Acquisition Vehicle Formation
Our corporate and tax lawyers advise on the formation and structuring of search funds, independent sponsor vehicles and acquisition entities. We help clients develop governance and equity arrangements that address the interests of investors and management teams while allowing flexibility for future growth.

Acquisition Transactions
We guide clients through each stage of the acquisition process, including letters of intent, due diligence, transaction structuring, financing, negotiation of definitive agreements and closing. Our M&A lawyers bring substantial experience handling middle-market transactions and work closely with clients and their other advisers to move transactions efficiently toward completion.

Platform and Add-On Growth
As clients expand their businesses, we advise on add-on acquisitions, strategic investments, financings and other growth initiatives. Our familiarity with the underlying business enables us to provide continuity while assembling the right team for each opportunity.

Ongoing General Counsel Support
Following an acquisition, we can serve as an extension of the management team, providing practical and scalable legal support tailored to the company's operations and stage of development. This support may include:

- Corporate governance, compliance, licensing and regulatory matters
- Risk management, dispute avoidance and pre-litigation counseling

- Commercial contracts, banking documents and real estate leases
- Employment counseling and executive compensation arrangements
- Intellectual property protection and counseling
- Shareholder, board and strategic business matters
- Coordination of specialized, local and international counsel

Exit and liquidity transactions

When an owner is ready to pursue a sale, recapitalization or other liquidity event, we draw on our knowledge of the company and its history to help prepare the business for the transaction, anticipate potential diligence issues and guide the process through closing.

Experience

No aspect of this advertisement has been approved by the highest court of any state. Prior results do not guarantee a similar outcome.

- Represented a self-funded searcher in the acquisition of a New England-based commercial kitchen maintenance company
- Represented a traditional search fund in the acquisition of a multi-state, multi-site maritime training school in the southeastern United States
- Represented a traditional search fund portfolio company specializing in battery and electronics distribution in its sale to a newly formed U.S. subsidiary of an international company
- Represented a traditional search fund in the acquisition of a tribal management services software provider
- Represented an independent sponsor in acquisition vehicle formation and equity raise matters, as well as the acquisition of a professional services firm
- Represented an independent sponsor in the acquisition of a managed care/payor software provider