

# Private Equity Funds TTM's New Growth Direction

**B**oxers are known for their focus and tenacity, and Brian Crowley has those qualities in spades. From the unlikely base of Ennis in Co Clare, since 2002 Crowley has built up TTM Healthcare into a business with turnover of €43m in 2015.

TTM's specialty is contracting nurses for hospital employers in Ireland and the UK. In recent years the former national boxing champion has branched TTM into residential care too, and in January 2016 Crowley turned to private equity provider Broadlake Capital for finance and counsel.

TTM Healthcare Ltd's accounts for 2015 illustrate why Crowley (40) needed more capital to fulfil his ambitions. On the back of a 35% increase in turnover, pre-tax profit advanced to €2m from €575,000 the year before. However, though net worth at year-end was €5m, balance sheet cash was just €148,000. Trade debtors – the hospitals – were in the books for €8.1m, up 60%, and TTM was availing of €2.4m invoice finance from Bibby Financial Services.

Broadlake Capital, led by Pete Smyth, bought in for a 30% stake. With the private equity comes a new way of doing things around the boardroom table. In conversation, Crowley states that he doesn't mind the new experience of being second-guessed and that an important benefit of having Broadlake on board is that he can share the enterprise worries.

Broadlake was born out of the sale of another indigenous service company, Noonan Services, and no doubt TTM will eventually find a new owner too. First though, Crowley is in the mood for more scaling up.

## What does the TTM Healthcare Group do?

There are two aspects to the business, recruitment and complex care services, which deliver end to end

TTM Healthcare turned to Broadlake Capital a year ago to finance expansion into residential care. Brian Crowley tells **John Kinsella** about the experience



**TTM Healthcare founder Brian Crowley (right) sold 30% of his business to Broadlake Capital, led by Pete Smyth (left)**

support to the public and private health systems in Ireland, the UK and the Middle East. The company now has offices in Dublin, Cork, the UK, Germany and Poland as well as a large network of international partners across Europe, Africa and Asia.

Each year we place thousands of nurses, doctors, therapists, radiographers and social care professionals. With TTM over 3,000 workers find temporary roles each year and over 2,000 find permanent jobs.

In 2011/2012, we diversified into residential care homes for children and adults with disabilities. We have four such facilities now and plan to have ten by the end of 2017. TTM is also involved in complex homecare for children and the elderly, and the HSE also uses our services to undertake

needs assessments of children under the age of seven.

We have been growing at a fairly significant pace in recent years but we are planning even quicker expansion over the next two to three years.

## Why did you decide to bring in outside equity?

The residential care homes require capital and we are also on the acquisition trail. Bank facilities are part of that, and we will be moving to a different mid- to long-term solution on the banking side. In 2015, I also explored options with some private equity companies who had already approached us.

When we decided to deal with Broadlake Capital, it wasn't just on the basis of finance. I was keen to have somebody else on board who had a

background in growing SMEs. Broadlake's Pete Smyth had scaled Noonan Services, an already rapidly growing company, before it was sold, so I knew he had been through it.

You might ask would you not take the money from a bank and keep the equity? I wanted someone across the table who shared a significant vested interest. My preference was for somebody who was sharing the journey with us.

### **How has private equity involvement improved the TTM business?**

Since Broadlake became shareholders, generally it has been a really positive experience. They have us looking at the business in a different way than we would have done historically. This spans the shape of the business, the basket of services that we offer, the longer term development of the marketplace and indeed the technology disruption that could be ahead of us as well.

We meet with Broadlake once a

month and we also do a strategy session at the start of the year, a two-day offsite meeting. On the people side, we have a better focus on identifying leaders to drive business growth. After identifying the levers for growth, every month as part of the board structure we are examining ourselves against those levers.

I'm very passionate about the business and probably emotional about the business too. So it's good to have the perspective of somebody who is obviously keen for the business to perform but is also semi-independent.

### **The UK is a large part of TTM's business. What Brexit fallout do you anticipate?**

The biggest challenge to us is sourcing staff. One in five nurses who join the NHS from overseas come through TTM, so that's a significant number of people. Brexit is affecting the attractiveness of the UK as a work destination for European Union

nationals. If you are a Spanish nurse or a Portuguese occupational therapist, the UK has moved down the pecking order.

### **What are TTM's acquisition plans?**

We recently secured a contract in Northern Ireland which has given us access to every hospital trust in Northern Ireland. The recruitment company is a significant lever for us in growing the healthcare company because we have access to a lot more healthcare professionals.

On the recruitment side, Northern Ireland and mainland Britain are the areas where we are hoping to find good companies. We also envisage expansion by acquisition on the healthcare delivery side in Ireland. Ideally what we are looking for is good management teams and sustainable business models that will fit into our businesses. We are looking for the right companies but we are being particularly careful.

*Survey continued on page 102*

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