

## A deal gets done with patience, persistence and insight.

**C**apital Access International (CAI) was founded by the entrepreneurial husband-and-wife team of David Farrington and Carrie Thomas. They combined their Wall Street experience--he in investment banking, she in investor relations--to start a company focused exclusively on the information needs of the global fixed income community. Over time, they grew CAI into the industry's leading provider of buy-and sell-side fixed income data for the institutional marketplace.

The founders crafted an innovative, comprehensive bond holdings and profile data program that for the first time put crucial bond market intelligence in the hands of institutional sales and trading professionals. With the growth of the Internet, they transformed it into a highly functional, web-based service that offers subscribers instant access to powerful, actionable data used to determine trading strategies, identify hard-to-find securities and buy and sell bonds with ease.

In the classic vein of entrepreneurs the world over, David and Carrie reached a point where they were ready to move on to other challenges and enjoy the fruits of their labor. The time was right: they had built a company that was worth millions on paper. However, they had limited liquidity and the thought of raising the large amount of capital needed to expand CAI into a global enterprise held little appeal for them.

Initially, they undertook the sale of CAI themselves. After a long and arduous process, they entered negotiations with a public U.K. company – only to see the deal fall apart because of circumstances beyond



*Carrie Thomas and David Farrington leveraged their marriage and Wall Street backgrounds to create Capital Access International, the leading provider of fixed income data for the institutional market. After selling CAI to Reuters, they moved to rural Pennsylvania where they launched two construction-related businesses.*

their control. At that point, they sought the advice of Ken Marlin, who, along with a core team, had recently formed the investment banking advisory firm of Marlin & Associates (M&A).

"Ken had been CEO of a financial technology company," says Farrington. "I don't know anybody who can match his knowledge of our business. We were impressed with

his entire team. They are smart, knowledgeable and extremely hard working. They knew the market and the companies where CAI could be a good fit, and they kept us negotiating from a position of strength."

M&A started by changing the way Farrington and Thomas presented the company. "We had prepared a strategic expansion plan that we had shown to the U.K.

---

*“M&A clearly articulated what needed to be done, kept us focused on solving each problem and deftly navigated us through some difficult situations.”*

---

company,” says Thomas. “After Ken and his team reviewed the document he said, ‘I understand what you are trying to do, but unless a potential buyer really knows your company, they won’t understand your vision.’ So, with M&A’s help, we re-packaged the document to present our ideas in a more comprehensible way. Ken’s team completely rewrote the 40- page document to emphasize points that a potential acquirer would care about. Then, they crafted a two-page summary that highlighted CAI’s most important aspects and sent it to a small group of carefully selected parties. The re-packaging of our vision resulted in the active interest of four companies.”

One of the leading candidates to emerge was Reuters, where there were individuals who understood the strategic value of CAI to Reuters to expand its penetration of the fixed income market. That should have made it an easy sell. However, some larger acquisitions already underway coupled with Reuters’ first ever full-year loss distracted the negotiating team and threatened the momentum of the deal.

One of the problems was the absence of clarity within Reuters about where CAI would best fit in the organization. While Reuters wrestled with a number of alternatives for assimilating CAI, M&A quickly focused on providing momentum to the potential marriage of CAI with Reuters’ Lipper subsidiary in Denver, whose mutual fund expertise, equities market skills, vast data resources and global reach complemented the buy-side coverage and fixed-income proficiency of CAI.

Marlin maintained contact with Michael Peace, the president of Lipper, and helped us leverage his enthusiasm for the deal. “It was a brilliant move,” says Thomas. “Peace became CAI’s biggest internal supporter and helped find a home for us within Reuters.”

Even with an agreement in principle, the deal was not done. Reuters used outside legal and accounting firms, which sometimes made communication cumbersome and confusing. “Information going back and forth among the numerous third parties and Reuters was often just plain garbled,” Farrington recalls. “On several occasions, things seemed to be going downhill. But, M&A never let us down. During protracted negotiations and due diligence reviews, Ken and his team calmly kept up with all the demands of the lawyers and accountants. M&A clearly articulated what needed to be done, kept us focused on solving each problem and deftly navigated us through some difficult situations.”

“Ken Marlin and his team really did their homework,” says Thomas. “They are skilled, practical, creative negotiators and resolutely kept the deal moving ahead until it was done, and the checks cleared.” ■

*Throughout the entire deal process, Marlin & Associates solved a series of seemingly intractable problems. They helped to create a compelling message that caught the attention of several prospective buyers, advised on negotiating strategy, brought the deal with Reuters to closure and tenaciously worked out ancillary agreements for the shareholders and principals.*



---

330 Madison Avenue, 9th Floor | New York, NY 10017 T 646-495-5141  
6101 Executive Boulevard, Suite 110 | Rockville, MD 20852 T 301-469-0441  
[www.marlinandassociates.com](http://www.marlinandassociates.com)