

# Case study

## The business

- Developer of the first hand held device using saliva samples for drugs of abuse testing
- Preferred supplier to the Home Office for Police, Prison and Customs and Excise applications
- Growing international market

## The strategy

- To capitalise on the rapid growth in the market expected to result from the move from urine based to easier to perform saliva based testing
- To implement a recurring revenue model based on the sale of devices and consumables
- Sale to a larger diagnostics company or IPO

## The developments

- Supplier of choice to the Home Office and international business development
- 400% sales growth over 4 years
- Successful IPO in 2004 with an initial market capitalisation of £27m
- Subsequent sale to Concateno for £64m in 2007

## Summary

<b>Sector</b>	Drug testing
<b>Location</b>	Oxford
<b>Transaction</b>	Expansion
<b>Deal size</b>	£3m
<b>Investment rounds</b>	2001, 2004
<b>Return</b>	4x

YFM recognised the potential of our business to transform the drug testing market. As well as their investment, YFM introduced a non executive director, whose advice and support was extremely helpful to us as we rapidly scaled up the business.

**Chris Hand**  
CEO, Cozart



### About YFM Equity Partners

YFM Equity Partners\* has been managing funds specialising in transforming small businesses for over 25 years. We invest between £100,000 and £10 million of equity and have a current portfolio of over 200 companies in the UK. Our team of 50 people, based across six regional offices, is dedicated to working alongside management teams to create transformational growth and success.