

## SIA Group blends a smooth process with added flexibility for Whyte & Mackay inventory valuation

Whyte & Mackay, the fifth largest Scotch whisky manufacturer in the world, was founded on the docks of Glasgow in 1844 by James Whyte and Charles Mackay.

The business has its roots firmly planted in Scotland, its spiritual home, but it is also a company with strong global ambitions. Along with its 5 distilleries and offices in Scotland, Whyte & Mackay also has offices in London, New York and the UAE. The company is owned by Philippines-based Emperador Inc. (a subsidiary of the Alliance Global Group holding company).

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Lloyds Bank Commercial Finance instructed SIA Group (SIA) to conduct a rigorous analysis of the asset base of the beverage business as a mandatory part of their credit process. Since this was a substantial inventory-based transaction with a high degree of complexity involving a large number of brands as well as multi-site locations, a thorough and detailed pre-lend due diligence on the stock was crucial.

Graeme Waddell, Associate Director North & Scotland, Lloyds Bank Commercial Finance, said: *“We instructed SIA Group on this assignment since they are a valuer we can trust. Their team offers a detailed knowledge of the assets, the complexities involved and the key areas to look out for. In addition to being highly competitive, SIA Group brought a high degree of clarity to the process. We count on them to deliver valuations that make sense, whilst having the flexibility to meet the tight timescales so often demanded by transactions such as this. Importantly, they also perform post-deal audits to ensure that the collateral we are lending against hasn't materially changed.”*

Mark Driscoll, Head of Manchester Office, SIA Group, said: *“This was an exciting deal to work on. It required a significant inventory appraisal on an asset pool north of £300 million in value, the need to conduct on site visits at widely distributed distilleries and a timely approach in terms of the delivery of our reports, all circumstances in which SIA Group thrives. As you can appreciate, with a business of this kind, all of the cash is tied up on the shelves. Whisky is an excellent asset and it is always a pleasure to work on specialist assignments such as these.”*