



## CEO'S VIEW BY RICHARD DOWNS, IGLU.COM

I've been lucky enough to secure funding from several leading investors in the 17 years I've been running Iglu.com. We received seed funding from Barclays Ventures in the early days, and have been backed by the likes of Sussex Place Partners, Matrix (now Mobeus), and Growth Capital Partners. They were good teams and each deal had positive results.

But the investment we received in June 2015 from LDC, which saw the firm take a significant minority stake in Iglu.com, was different. First, as part of Lloyds, LDC has captive funds. This means it's not so in hock to the investment cycle of traditional private equity of drawing down funds, investing it, and then repatriating the money after just a couple of years. When you are receiving investment on a shorter time-frame of just two or three years, it really weighs on your thinking. There are transaction costs involved each time too, in the form of advisory fees.

Second, LDC's ability to take a longer-term view meant that they could be more flexible about the terms of the deal – particularly by paying more attention to management and how they're incentivised and aligned. While other private equity houses we were speaking to were asking for a majority holding and a much more controlling position in the firm, LDC was relaxed about being a minority investor.



This has been psychologically important for me personally – but also for our suppliers. When a deal is announced, it can be destabilising. We’ve been working with the cruise industry for over a decade and with the skiing market for 17 years. They know and trust us. Given that management retains a majority stake, our suppliers aren’t left wondering what will happen to Iglu over the next few years.

Third, LDC has been able to support Iglu’s development in other ways beyond the investment. As part of the deal, LDC introduced the leading travel tech entrepreneur and Rental Cars founder Greg Wills, and we agreed that he was the ideal person to sit on our board and support our internationalisation, given that he has been on that journey already.

Having LDC team members on our board is another key differentiator. LDC doesn’t pretend to have an in-depth knowledge of travel. But the team have great insight in digital from their other investments in the space. They’ve been hugely supportive: always taking on board management’s views rather than lurching to their own opinions, but also challenging our thinking as we position the business for further growth.

It’s really felt like team work.



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## The Deal in Numbers



Investment date



Equity



Type



Sector



Turnover



Number of employees

## The Deal

In 2015 LDC invested in Iglu.com, allowing the existing management team, led by founder Richard Downs, to retain a majority shareholding, with LDC taking a significant minority shareholding. The investment from LDC is enabling Iglu to take its model into new geographies and product areas including tailor-made holidays, luxury cruises and long haul holidays.

## Business Overview

Iglu.com has sales in excess of £220million a year and is the UK’s largest independent agent of both ski holidays and cruises. It operates through four specialist websites, Iglucruise.com, Planetcruise.com, Igluski.com and Iglulapland.com (which retails Lapland holidays).

For more information, please visit: [www.ldc.co.uk](http://www.ldc.co.uk)