



# CASE STUDY: WHOLESALE SUPPLIES PLUS ACQUIRES 5 COMPANIES

## CHALLENGE:

Wholesale Supplies Plus (WSP), a leading B2B distributor of consumable supplies and provider of services to commercial artisans, was seeking to acquire other wholesale distributors in various product segments within soap making, candle making, and personal care products.

## SOLUTION:

WSP engaged Blue River's M&A Advisory Services in **August 2019**. Within the following **15 months** Wholesale Supplies Plus successfully acquired **5 companies**.

## HIGHLIGHTS:

- Blue River's research team identified over **400 targets** within existing product categories, and most natural adjacencies.
- During the 15 months of active pipeline development, the WSP team approved activation of **172 targets** and Blue River was able to connect with **80%** of the target pool.
- **5 LOIs** were signed between February 2020 and January 2021. By **March 2021**, WSP had successfully acquired a total of **5 wholesale distributors**.

## Wholesale Supplies Plus Broadens Product & Service Offering with Acquisition of 5 Wholesale Distributors

### Wholesale Supplies **Plus**

Founded in 1999, **Wholesale Supplies Plus** was established to provide commercial crafters with a complete line of raw materials, supplies and packaging for the production of artisan bath, body, cosmetics, candles and other personal care and aromatic products. With over 16,000 SKUs, and complementary resources and value-added support, WSP is the core business partner to thousands of small business owners. Wholesale Supplies Plus was a portfolio company of Incline Equity Partners between 2019-2021.



**Incline Equity Partners**, headquartered in Pittsburgh, Pennsylvania, is a private equity firm investing in manufacturing, distribution and business services companies. Incline is generally seeking growing companies with enterprise values of \$25 – \$750 million. Incline's typical investment types are ownership transitions for privately held businesses, buyouts and corporate divestitures within the U.S. and Canada.

*“The acquisitions bolster our position in the market and enable us to provide a more robust offering for the combined customer base. We look forward to continuing to help our customers succeed as small and home-based business owners.”*

Sam Solomon  
Wholesale Supplies Plus CEO

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## Background & Strategy

Founded in 1999, Wholesale Supplies Plus was established to provide emerging and small businesses with professional, high quality supplies for the production of soap, cosmetics, and home fragrance. Inspired by an entrepreneurial spirit and commitment to helping not just her own family but that of her customers, founder Debbie May has grown WSP into a market-leading, value-added distributor of raw materials, supplies, and packaging used in the production of soap, lotion, cosmetics and candles, as well as other personal care products.

Wholesale Supplies Plus has partnered with Incline Equity Partners between 2019-2021 to accelerate its growth through several initiatives including capacity expansion, introducing new products, and pursuing strategic acquisitions. WSP sought to acquire other wholesale distributors in various product segments within soap making, candle making, and personal care products. WSP was primarily seeking smaller tuck-in opportunities, warehouse consolidation, and 100% buyout transactions.

*"WSP has an exceptional value proposition and is a critical partner to the small and emerging businesses it supplies,"* said Evan Weinstein, Partner with Incline.

Upon engagement, Blue River's research team identified over 400 targets within existing product categories and most natural adjacencies. Out of those 400, 172 targets were approved by the WSP team and approached by Blue River. Categories ranged from soap and candle making supplies, to additives, bath & beauty, cosmetic ingredients, fragrances, essential oils, and packaging. Between February 2020 and January 2021, five LOIs were signed, and by March 2021, WSP had successfully acquired a total of 5 wholesale distributors.

The first two acquisitions were Rustic Escentuals in August 2020 and Elements Bath & Body in September 2020. Rustic was founded in 1999 and Elements in 2002 and, over the years, have both built a similar base of highly-loyal, for-profit crafter customers. The third acquisition came in December 2020 with Chemistry Connection doing business as MakeYourOwn.buzz providing environmentally friendly, cruelty-free, natural products. The last two strategic acquisitions of value-added distributors of soap and cosmetic ingredients came in January 2021 and March 2021 respectively.

*"The acquisitions will enhance the experience for existing and new customers, which has been our goal since partnering with the Company in May of 2019."* said Weinstein.

*"The additions of these strategically aligned businesses with Wholesale Supplies Plus represent exciting growth opportunities for all involved",* stated Sara Clevenger, Principal of Blue River. *"Together with Incline and WSP, we identified and completed 5 add-on acquisitions since launching the assignment. The accelerated completion of these transactions allowed our client to efficiently grow the business and surpass the acquisitive goals of their collective investment. We are grateful for the partnership and can't wait to see what's ahead for the WSP team!"*



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**1** AUG 2020

Wholesale Supplies **Plus**

has acquired the assets of:



*Blue River acted as exclusive  
M&A Advisor to Wholesale  
Supplies Plus and Incline Equity  
Partners*

**2** SEP 2020

Wholesale Supplies **Plus**

has acquired the assets of:



*Blue River acted as exclusive  
M&A Advisor to Wholesale  
Supplies Plus and Incline Equity  
Partners*

**3** DEC 2020

Wholesale Supplies **Plus**

has acquired the assets of:



*Blue River acted as exclusive  
M&A Advisor to Wholesale  
Supplies Plus and Incline Equity  
Partners*

**4** JAN 2021

Wholesale Supplies **Plus**

has acquired the assets of:

Value-Added Distributor,  
Soap and Cosmetic  
Ingredients

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**5** MAR 2021

Wholesale Supplies **Plus**

has acquired the assets of:

Value-Added Distributor,  
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**W** Wholesale Supplies **Plus**

Learn to Make Soap, Bath Bombs, Lotions & More

## About Blue River

Founded in 2002, Blue River has built its practice around delivering experienced, systematic transactional guidance. We help bring outstanding capital partners together with businesses to collectively reach new heights. As a long established and leading middle market investment banking firm, Blue River places a premium on relationship-centered transaction counsel and client support. We provide a suite of services including corporate development, private equity support, confidential sell-side representation, valuations and transaction consulting.



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