



# Cutting Edge's busy unit sold to Global Television

**Alex Tilbury**

BRISBANE-based creative agency Cutting Edge is well known for its snazzy, award-winning post-production work but not for its less-glamorous outside broadcasting division, which it has just sold to Global Television.

Its chief executive, Michael Burton, said he was approached by Global TV's boss, Keith Andrews, 14 weeks ago, and saw the synergies immediately.

Private equity group Catalyst Investment Managers is the major shareholder in Sydney-based Global TV. The deal was effectively sealed over breakfast one Sunday morning after Burton and his chief financial officer, Matthew Lawson, met with Mr Andrews.

"They are keeping all of our people, all our technology and I am consulting with them for 12 months to keep the culture of innovation," Mr Burton said. "We are a big family business, we have very personal relationships with our staff and our drivers and that's important."

"But ... we are running a

business and we have to keep moving forward."

Mr Burton said his outside broadcasting division had not been up for sale but the offer was too good to refuse.

"We had not been actively looking to realign our business direction; however, Global TV's offer to purchase our OB division and merge the businesses made good sense, not only from a business perspective, but also the fact that their plans aligned with our staff, culture and long-term goals," he said.

"Their chairman, Brian Gattfield, told me he felt they paid too much for our outside broadcasting and that we probably felt we didn't get enough, so we are happy."

He wouldn't disclose the price for commercial reasons.

"We had been approached a number of times over the past five years - at least four approaches for that division and our whole business - but

this one fit culturally. And, from a business perspective, it made sense.

"Our divisions are separate - one is a technical service and one is a creative service - so they are easy to separate."

Cutting Edge's OB division, which is based at Carole Park in Brisbane's west, owns \$40 million worth of equipment, including four B-Double truck trailers, plus it has two other trucks in Malaysia.

It has been growing its revenue 25 per cent each year.

The deal will wipe all its debt so the company can focus on its post-production work, which right now includes work on *Happy Feet 2*.

Its OB has grown from a start-up to a successful and profitable business in five years, with high-profile clients that include Fox Sports' domestic cricket coverage, golf tournaments such as the Ladies Masters, V8 racing, NBL games plus television shows such as *Dating in the Dark* and *X Factor*.

Brisbane Labor lord mayoral candidate Ray Smith is one of its major shareholders.

