

Daisy snaps up customers from collapsed data operator Sungard

The entrepreneur who has grown Daisy Group into one of the UK's biggest communications services providers has swooped to acquire part of Sungard UK, the collapsed data management operator.

Sky News understands that Daisy founder and chairman Matthew Riley sealed a deal to transfer key Sungard clients, including major banks and other financial institutions, to his privately owned company on Wednesday.

In a letter from the administrators at Teneo Restructuring, clients were informed that that Sungard's workplace recovery sites were "unable to continue as a going concern and that the best outcome for customers at these sites would be for them to transition their services to facilities operated by Daisy Corporate Services Trading Limited".

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"Daisy has significant expertise in the delivery of these services and is recognised as a market leader in the UK for business continuity and operational resilience," the letter said.

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Teneo advised Sungard clients to agree new contractual terms with Daisy within a month, after which the services provided by it would cease.

Sky News reported in March that soaring energy costs and an impasse with landlords over rents had forced Sungard’s UK operations into administration.

The business, which employs nearly 300 people, provides cloud-based services as well as physical data centres, demand for which was hit by the COVID-19 pandemic.

Sungard Availability Services UK – the entity which fell into insolvency – is said to have been in talks with landlords since the start of the year, but had been unable to reach an agreement about improved payment terms.

It is the latest in a string of deals struck by Mr Riley, the most recent of which was the £210m purchase of rival XLN Telecom in February.

Adding XLN's 120,000 small business customers, to which it supplies business broadband, phones and card payment services, made Daisy second only to BT Group in the UK's SME telecoms market.

Mr Riley has sought to grow Daisy by positioning it at the heart of the transition to digital telecoms services in order to access greater speed, reliability and security.

Daisy, whose founder has become one of Britain's wealthiest self-made people, was at one stage listed on the public market in London before being taken private again in 2014 with the backing of Toscafund Asset Management.

Lancashire-based Daisy manages mobile, cloud and other services for business customers, and describes itself as the UK's largest independent provider in the sector.

Daisy declined to comment.