

# Gallery Systems' leadership takes a leap of faith with Volaris Group



## Background

Gallery Systems, Inc. is a provider of cultural collections asset management software and web publishing solutions for museums, corporate and private collections, and educational institutions. With over 800 clients worldwide, Gallery Systems is the market leader in its field.

When some of Gallery's major shareholders started contemplating an exit in preparation

for retirement and estate planning, shareholder and Chief Executive Officer, Jay Hoffman was obliged to contemplate what this would mean for him and the rest of the organization. Hoffman believed strongly in the value of the company, and after operating autonomously for over 20 years he was concerned about what it would be like to work with new owners.

“You never know what to expect when you're being acquired, but with Volaris, we have been pleased to see how positively everything has worked out”

—Jay Hoffman,  
Chief Executive Officer  
of Gallery Systems, Inc.

## Managing Uncertainty

For many years, Gallery had been courted by prospective buyers. Each time, Hoffman would dismiss the offers, as there was never any motivation to sell this profitable and growing business. However, when his partners began to think seriously about retirement, he started looking more closely at his options.

To ensure Gallery's long-term viability, Hoffman understood that finding the right buyer would be crucial. But after whittling down the list of

potential buyers to 8-10 viable offers, Hoffman was still uneasy about the sale.

“You never really know what it will actually be like”

—Jay Hoffman

It was therefore important for Hoffman to get to truly know the prospective buyers and to understand their motivation for acquiring.



## Revisiting Volaris

One of the prospective buyers on Hoffman's shortlist was the Volaris Group. Having been previously contacted by representatives from Volaris' mergers and acquisitions team, Hoffman was familiar with the company and its acquisition philosophy: Volaris purchases established businesses with a stable customer base to invest in and grow.

After re-initiating dialogue with Volaris, Hoffman learned about the company's decentralized structure, in which each portfolio business operates independently. In comparison to the discussions he had with other bidders, he was able to get a clear sense of Volaris' value proposition.

Hoffman also met with key leaders within Volaris and determined that they were a good fit for the long-haul.

• **“I felt comfortable with them. They were honest, had high integrity, and were ultimately good business people”**

—Jay Hoffman

## Changes (or lack thereof) and Gains

While there were integration activities to be implemented post-sale, Hoffman was able to maintain stability and continuity for his staff and customers, shielding them from any disruption. For them, everything was business as usual.

**“I think some of the customers have already forgotten that we were bought out because nothing has changed”**

—Jay Hoffman

Post-acquisition, Hoffman continues to retain control of Gallery's strategic direction and operations. Volaris recognized that no one is better equipped to manage Gallery than the people who built it, appreciating the expertise and vision of Hoffman and his staff.

Behind the scenes, Hoffman and his senior managers also received a crash course in the Volaris approach of running a successful vertical market software business. To help him achieve his goals for Gallery, Volaris offered new analytics and ways of managing

the development process. Volaris was able to introduce the company to a number of key performance indicators (KPIs) and best practices accumulated from 200+ acquisitions to date. Since implementing these processes, Gallery has been able to generate new revenue streams and more organic growth initiatives, fueling growth and long-term sustainability.





## Shifting Roles

Although little has changed for Gallery's employees and customers, Hoffman's role within the organization has evolved.

- **“Since the acquisition, I have spent much more time on strategic aspects of the business”**
- —Jay Hoffman

While Hoffman still continues to serve as thought leader for the organization, he has largely stepped away from day-to-day operations in order to concentrate on expanding the company through organic and acquired growth.

Hoffman's new job functions have allowed him to display different facets of his business acumen and have enabled him to grow in his vocation. He is now intimately

involved with all of Gallery's growth projects and is beginning to engage in potential mergers and acquisitions.

Ultimately, Hoffman took a leap of faith selling Gallery to Volaris and it ended up being the right move for him professionally and for Gallery strategically.

- **“Now that we have the weight of this large parent company behind us, I think that we can be more acquisitive and become titans in the industry”**
- —Jay Hoffman



## About Volaris Group

Volaris acquires, strengthens and grows vertical market technology companies enabling them to be clear leaders within their focused industry. Volaris companies provide specialized, mission-critical solutions to vertical markets around the world including Agri-Food, Asset Management and Logistics, Justice, People Transportation, Marine and Rental Management. Volaris is an operating group of Constellation Software Inc.

Learn more at [www.volarisgroup.com](http://www.volarisgroup.com)



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