

**UNIVERSITA' DEGLI STUDI DI PADOVA**

**DIPARTIMENTO DI SCIENZE ECONOMICHE ED AZIENDALI  
"M.FANNO"**

**CORSO DI LAUREA MAGISTRALE**

**IN**

**ECONOMICS & FINANCE**

**TESI DI LAUREA**

**"CROSS-BORDER M&A TRANSACTIONS  
IN THE NORTH-EAST OF ITALY: AN EMPIRICAL ANALYSIS"**

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**ANNO ACCADEMICO 2014 – 2015**



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# Ringraziamenti

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Gli studi universitari mi hanno dato davvero molto: sono cresciuto come persona e professionista, ho conosciuto culture diverse e superato tante piccole sfide.

Come ogni avvincente avventura, l'Università non è un percorso che si affronta da soli, vorrei quindi ringraziare:

Il Professor Zotti, per i consigli, la disponibilità e il tempo dedicatomi;

I miei genitori e mia sorella, per volermi bene e avermi affiancato in ogni scelta importante della mia vita;

Tutti gli zii, cugini e nonni, per la loro costante presenza e sostegno;

Gli amici e i compagni di corso, per le risate, lo studio assieme e i confronti;

Tutti i professori appassionati del loro lavoro;

Tutte le persone che ho incontrato a Padova e all'estero e che hanno reso questi anni un'esperienza indimenticabile.



# Executive Summary

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The aim of this dissertation is to analyze the Cross-Border M&A deals in the North-East of Italy, in order to understand the ongoing trends and the degree of internationalization and attractiveness of this territory. The analysis considers the M&A deals in the period 2008-2014 that involve North-East firms. It is made up of two parts: the first one examines the general framework and the current trends across all sectors, while the second one analyses in depth the motivations endorsing the deals in the top two targeted industries.

As this research demonstrates, Cross-border M&A represent a significant source of value creation for a firm and a quick way to enter a new geographic market and acquire new capabilities. Nevertheless, several difficulties and risks underpin the lifecycle of the deal, from the scouting phase till the integration of the two entities.

The focus on the North-East regions is due to the high relevance of this area for the Italian economy and for its forerunner role in this country's international expansion.

The thesis will proceed as follows: the first chapter presents the theoretical framework for Cross-Border M&A operations, their main features, the reasons for entering a new geographical market and the global trends in FDI. The second chapter explains the peculiarities of North-East Italian firms, the degree of internationalization, the market attractiveness for foreign investors, pointing out obstacles and possible solutions.

The third chapter is dedicated to the empirical research on the cross-border M&A deals, with the analysis of involved foreign countries, the targeted industries, the type of buyers and the turnover of firms. The fourth chapter focuses on the Industrial Machinery and Apparel and Fashion industries, the top two industries targeted by foreign investors in the North-East of Italy, explaining the main motivations of the deals.



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# Cross-Border M&A Operations

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Cross-border M&A operations are a source of significant value creation and can present attractive opportunities for companies seeking growth in new foreign markets or to accelerate expansion where they already have operations. The globalisation of business over the last 20 years has seen companies search out new markets in order to grow and maintain their competitive advantage with a consequent surge in cross-border mergers and acquisitions.

The increase of openness in global markets for inputs and for final products has led firms to enter new markets to exploit their current capabilities or to acquire new resources (March, 1991).

In entering an overseas market the firm has hence to cherry-pick the best suitable entry mode, analyzing the different costs, benefits and risks. Mergers and acquisitions represent one of the possible strategies and are always a topic of interest for managers and scholars for their value creation and complexity. As a matter of facts, the approach to cross-border M&A operations is not the extension of the approach to domestic acquisition: the additional complexity is due to the differences in political and economic environment, corporate organization, culture, tradition, tax, law and accounting rules (Sudarsanam, 2010). The inherent difficulties in considering, executing and managing overseas acquisitions present challenging situations for managers as they have to fairly value the potential synergies and assure a smooth post-acquisition stage. Cross-Border M&A together with greenfield operations represent the Foreign Direct Investments (FDI), a measure of the Country's attractiveness and the degree of economy's openness.

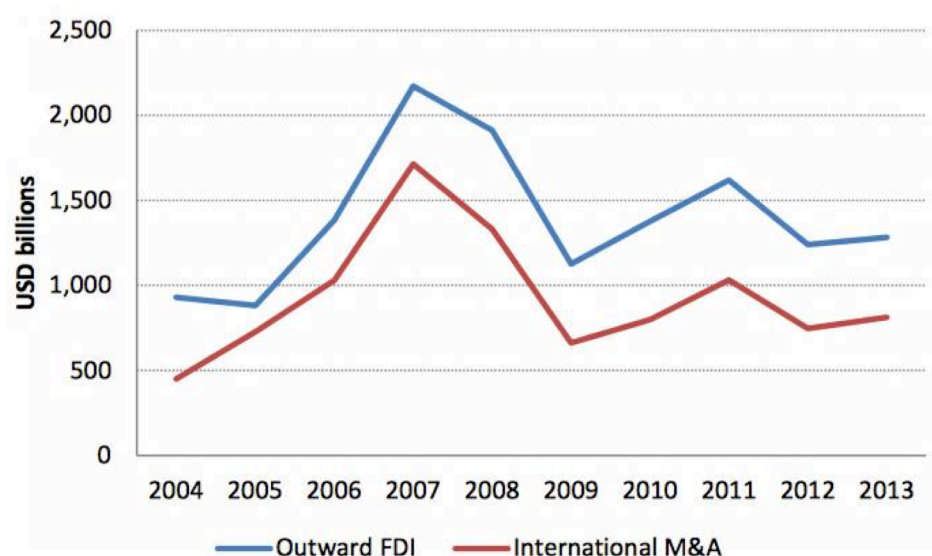
The global Cross-Border M&A value rose from \$111bn in 1990 to \$349bn in 2013 (+214%), peaking in 2005-07 with a value of 780 billions dollars (Table 1.1.), indicating a returning confidence in a global recovery and the strategies of the companies around the world to move into new markets and jurisdictions.

(Table 1.1) Cross-border M&A's share of Global FDI  
Value at current prices (\$USD bn)

	1990	2005–2007 pre-crisis average	2011	2012	2013
<b>FDI inflows</b>	208	1493	1700	1330	1452
<b>FDI outflows</b>	241	1532	1712	1347	1411
<b>Cross-border M&amp;A</b>	111	780	556	332	349
<b>Cross-border %*</b>	46,1%	50,9%	32,5%	24,6%	24,7%

Source: Own elaboration of data from UNCTAD, World Investment Report 2014<sup>1</sup>, table 2 p. xviii  
\*Ratio of Cross-border M&A and FDI outflows, as Sudarsanam 2010

(Figure 1.1) Global FDI outflows and global M&A investments



Source: OECD International direct investment statistics database.

The current ratio of International M&A to FDI remains relatively low (under 60% in 2013) compared to the three years leading up to the crisis (2005-07), when the value of international M&A was 80% that of global FDI. The observed decline in the equity component of FDI and the relatively less important share of international M&A investments in FDI flows would seem to suggest that a higher number of firms are exploiting different ways for approaching new markets such as greenfield investments.

Multinational enterprises are currently more focused on managing existing international operations and financial resources rather than international expansion through strategic mergers and acquisitions (OECD, 2013<sup>2</sup>).

<sup>1</sup> [http://unctad.org/en/PublicationsLibrary/wir2014\\_en.pdf](http://unctad.org/en/PublicationsLibrary/wir2014_en.pdf), [access 15/12/2014]

<sup>2</sup> <http://www.oecd.org/daf/inv/FDI-in-Figures-April-2014.pdf> [access 14/03/15]



## **1.1 The growth strategies**

The theme of growth is an ever-present topic in the business world: in order to survive and be profitable, companies have to grow, pushed by increasing competition, rising costs and the fall in the demand of products and services.

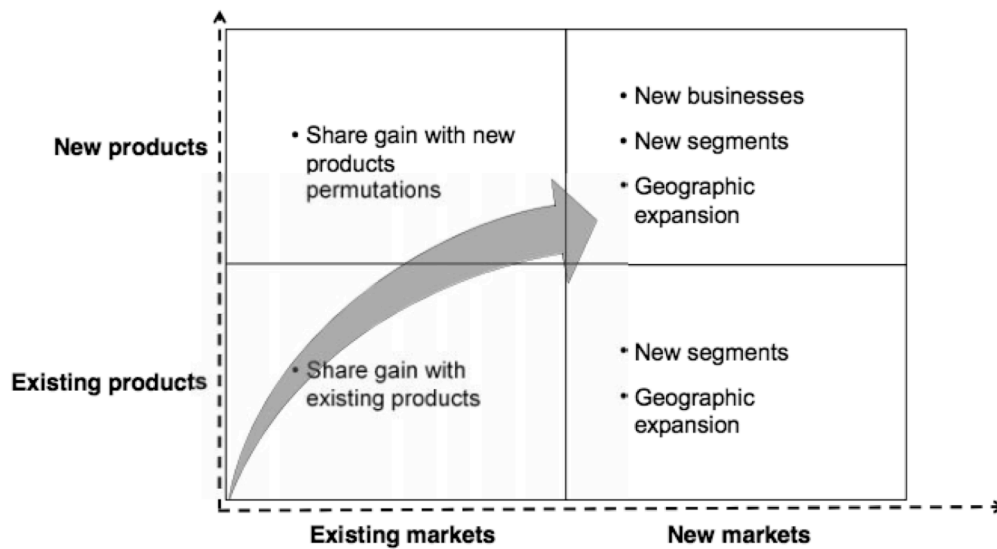
The term “growth” is not self-explanatory itself, it can either refer to growth in revenues, in profit, in market share, in the production capacity, in the number of employees or in infrastructures. In this context we introduce the concept of “profitable growth”, meaning a dimensional growth in terms of employees and revenues that implies the improvement of the company performance in terms of economic profitability and free cash flows (Stewart, Bennett 1991). The dimensional growth has its economic and competitive benefits, such as an higher bargaining power with suppliers and customers, a lower cost of funding, the ability to attract talented resources and the achievement of volumes that can lead to operative efficiencies (economies of scale and scope).

The company’s growth has always to be compared to the cost of capital: as a matter of facts the value creation for the company is realized only when the return on the invested capital of new projects, new customers or acquisitions exceeds the cost of capital (Koller *et al.*, 2010).

Simplifying, the business growth can be achieved either by boosting revenues or by increasing the profitability of the operations by minimizing costs. A company can reach these goals by growing through internal or external lines, that is by exploiting its own internal capabilities, resources and competences or by integrating with other firms. One strategy doesn’t exclude the other and they are usually complementary in the company’s life cycle. The key drivers for growth are summarized by the Ansoff Matrix of adjacencies (figure 1.2) that provides a framework for evaluating alternative growth strategies, split by markets and products. The matrix shows four possible product/market combinations to grow the business via existing and/or new products, in existing and/or new markets (Ansoff, 1957).

In particular the focus of this dissertation will be the entrance in new geographic markets through M&A operations to broaden the target market and to have access to new products or technology.

(Figure 1.2) Ansoff's Matrix



Ansoff, I.: Strategies for Diversification, Harvard Business Review, Vol. 35 Issue 5, Sep-Oct 1957, pp. 113-124

### 1.1.1 Motives for international expansion

Before analysing the various entry modes that a firm has in order to serve an overseas market, we will examine the motives for expanding internationally. The choice to enter a new geographic market is based on the management's view that the foreign location may offer certain advantages for the value chain activities in comparison to the current locations. In the last fifty years numerous theories have sought to explain the motivations for the FDI decision, drawn from a wide range of disciplines such as industrial economics, organizational economics, finance and transaction cost economics. However, the dominant analytical framework to analyse the determinants of FDI that envelopes many theories is the Dunning's eclectic OLI model (1993 and revisited in 2000). The OLI paradigm is composed by the interaction of three sets of interdependent advantages of the investing enterprises: Ownership, Location and Internalization.

The *ownership* decision examines the competitive advantages, specific to the ownership of the investing enterprise, that can be exploited to create value in the foreign country (such as owning a bundle of scares, unique and sustainable resources and capabilities relative to those of the competitors).

The *location* decision avers that the more the advantages in the foreign location, such as immobile or natural resources, the more convenient is for the firm to set operations abroad.

The third sub-paradigm of the OLI tripod, *internalization*, analyses whether or not internalizing the process and in which ways the firms may organize the creation and exploitation of their core competencies, given the local attractions of different countries or regions. As we will see in paragraph 1.2 there are several alternative ways in which a firm can enter a new geographic market and the choice of the firm is strongly contextual. In particular, it will reflect the economic and political features of the country in which they are seeking to invest; the industry and the nature of the value added activity in which the firms are engaged; the characteristics of the individual investing firms, including their objectives and strategies in pursuing these objectives; and the reason behind the FDI. According to Dunning (1993), there are four main reasons for diversifying into foreign markets: 1. Market-seeking, 2. Resource-seeking; 3. Efficiency-seeking; 4. Strategic asset-seeking.

**1. Market-seeking** (demand oriented): the company sells its product to the customers in new (to the firm) geographic markets in order to enhance revenues. This motivation is particularly strong for companies that have some competitive advantages, such as technology or brand recognition and want to exploit them in offshore markets. Among the location attributes that encourage market-seeking there are: rapid economic growth, strong and relatively stable exchange rate, a good political and regulatory infrastructure, limited competition, physical and cultural proximity, and asynchronous business cycles. Fast-growing emerging countries represent a growth opportunity especially for the firms that experience a slower growth in their domestic market (facing for example increasingly saturated home markets). In assessing the market attractiveness, deep analyses should be conducted to understand the potential target customers, the growth of real incomes, the exchange rate behavior, the political infrastructures, the competition and the distance (physical and cultural). Companies can also invest abroad to serve their existing clients by following them: for example services companies (consulting firms, lawyers and banks) or suppliers set up close to the operations of their clients (DePamphilis, 2012).

Seeking new international markets is sometimes justified on a diversification point of view: investing in countries whose economic cycles are low correlated may lower the overall volatility in sales and profits, thus reducing the cost of capital (Chan *et al.*, 1992).

**Resources-seeking:** a company can invest outside its home country looking for lower priced factors of production or higher quality natural resources. Natural resources tend to be location specific, so the need to guarantee a cheap supply of resources pushes companies to directly control the markets (Dunning, 1993). It can be also motivated to secure key suppliers or to diversify the geographical sources of suppliers.

**Efficiency-seeking**, commonly described as offshoring, means investing in foreign markets to take advantage of a lower cost structure, which has two main forms: cost efficiency and rationalizing operations. The first one is realized by transferring production, totally or in part, to locations with lower labour costs, lower levels of regulation, lower cost of capital and lower tax rates. The reduction of the overall labor costs is likely to happen in industries where a low level of skilled workers is required but should be compared to the minor worker productivity especially in emerging countries (DePamphilis, *ibid.*). Minimizing tax liabilities is also a source of cost saving, in particular in the countries that subsidize foreign direct investments through fiscal advantages (i.e. in China and Brazil). The second type of efficiency-seeking corresponds to investments aimed at rationalising the operations, such as exploitation of advantages in adjacent territories, economies of scale and scope. The last two can be achieved especially through M&A activities for industry consolidation, caused by excess capacity in the industries and increased competition.

**Strategic asset-seeking** is driven by an organization's need to acquire technology, managerial expertise and other "knowledge-related assets" that can be found in foreign firms in order to employ the assets in the domestic markets.

Clearly, the choice of expanding internationally is affected by a combination of the above-mentioned motives and companies are rarely driven by a single motivating force. Moreover, having worldwide operations opens up the company's options for new strategic moves and sources of information.

Once the company has decided to expand internationally, the market entry mode becomes of fundamental importance to exploit the maximum value and minimize risks.

In a survey conducted by Baker & McKenzie on 350 C-executives whose firm had conducted a recent cross-border transaction (June 2014), 5 sources of motivations are found to be the most influential for the decision:

1. Access to costumers (34%)
2. Access to intellectual property (25%)
3. Access to industrial assets (21%)
4. Access to natural resources (12%)
5. Access to human capital (8%)

The results of the survey are dominated by market and strategic assets seeking strategies rather than efficiency or resources seeking.

### ***1.1.2 Factors influencing Cross-Border activity***

The reasons for performing cross-border operations concern the firm's specific features, its needs and the environment in which it operates. Among the external factors that contributed to unleash the wave of international deals, it is possible to identify the followings:

#### *Globally integrated markets*

In the last century the World's economies have become increasingly interdependent and the easiness to conduct business abroad has facilitated the international trade.

For Europe, the economic integration is represented by the Single Market (started in 1992), the establishment of the European Monetary Union (EMU) with the introduction of the single currency, and the enlargement of the EU with countries from Central and Eastern Europe (Sudarsanam, 2010).

Also the globalization of products and services has affected the cross-border activity, creating a world market with converging customers' preferences and needs.

Restrictions to foreign investments have been progressively removed by economic reforms undertaken by developed and developing countries to welcome FDI.

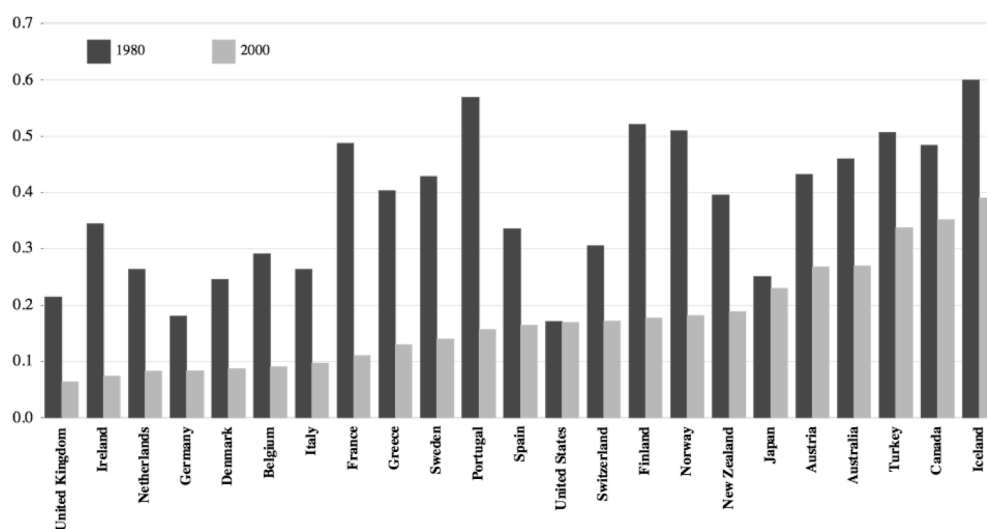
A study conducted by the OECD (Organization for Economic Co-operation and Development) shows the liberalization trend of FDI over the past two decades measured by the FDI Regulatory Restrictiveness Index<sup>3</sup> (figure 1.3).

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<sup>3</sup> The FDI RR Index measures statutory restrictions on foreign direct investment.

Even though the FDI Index is not a full measure of a country's investment climate, FDI rules are a critical determinant of a country's attractiveness to foreign investors, along with a range of other factors. To a large extent, the generalised decline in barriers reflects the full liberalisation of capital flows within the European Union and the concomitant extensive privatisations both in the European Union and elsewhere, which have opened up previously sheltered public firms and monopolies to foreign capital (OECD Report<sup>4</sup>).

(Figure 1.3) FDI restrictions in OECD countries, 1980-2000<sup>1</sup>



<sup>1</sup>The indicator ranges from 0 (least restrictive) to 1 (most restrictive)  
Source: OECD<sup>3</sup>

### *Increasing competition*

The increase in global competition pushed the companies to expand their activities geographically to compete in several markets (Sudarsanam, 2010).

### *Capital availability*

Globally integrated capital markets provide foreigners with unfettered access to local capital markets and local residents with access to foreign capital markets (DePamphilis, *ibid.*). The increased availability of capital has made easier the process to to finance acquisitions and innovations on a global scale.

<sup>4</sup> <http://www.oecd.org/eo/outlook/2956455.pdf>, access date 30/04/15

### *Recover large investments*

The rise in technology based on massive investments in R&D, design, marketing and distribution compelled companies to sell to the largest market possible in order to recover these costs.

The need for large investments is also present in the infrastructure business, such as gas, electricity, water and telecommunications, and it drove many countries to open up the sectors for foreign investments (Sudarsanam, 2010).

## **1.2 Common international market entry strategies**

The choice of the entry mode into foreign markets is conditional to the firm and to market conditions: it reflects the firm's risk tolerance, its available resources, the perceived risk, the competitive conditions, and it has to trade-off among the alternatives by analyzing the costs and benefits. The main entry modes are: greenfield or solo venture, M&A, joint ventures or other strategic alliance, export and licensing, all of them characterized by different costs, benefits and risks to the firm (figure 1.4). In the following section we will briefly explain them and summarize the factors that influence the choice.

The simplest form of entry strategy is ***exporting***, characterized by the transportation of finished goods from one country to another, without the establishment of local operations (Tielmann, 2010). The advantages of exporting are: the limitation of risks (Davis et al., 2000) and the low costs of operations set-up and lower resources to invest. The disadvantages include: high transportation costs, exchange rate fluctuations, tariffs placed on imports, limited control over the marketing and distribution of the products.

A company can enter a market by ***licensing*** the production of its products to a local licensee, who takes the risks and makes the investments in the foreign country in exchange of royalties on each unit sold. Even if it is the least costly form of international expansion, it exposes the licensor to the lack of control over the production chain, a potential loss of brand value, a decreasing in profit per unit and lose the intellectual property over the technology used.

***Joint Ventures*** are “business arrangements in which two or more parties agree to pool their resources for the purpose of accomplishing a specific task”<sup>5</sup> by sharing the risks and costs, develop new capabilities and gain access to resources.

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<sup>5</sup> <http://www.investopedia.com/terms/j/jointventure.asp#ixzz3YnrAtkUD>, [access date 20/04/15]

Local firms may be interested in alliances to gain access to the technology, brand recognition and innovative products of the foreign firm (DePamphilis, *ibid.*).

Joint Ventures are more likely to happen if it is difficult to separate unwanted assets in case an M&A entry strategy is selected (Hennart and Reddy, 1997), the new entrant has little experience in target market, high problems in an eventual postmerger integration and the barriers to entry are high and entrant lacks necessary resources (Meyer, 2005). For example, when China first opened its doors to multinationals in the 1980s, some multinational corporations undertook joint ventures with local companies that appeared to be safe bets because of their access to and influence with the local or national government (McKinsey Quarterly, December 2010, “Past lessons for China’s new joint ventures”).

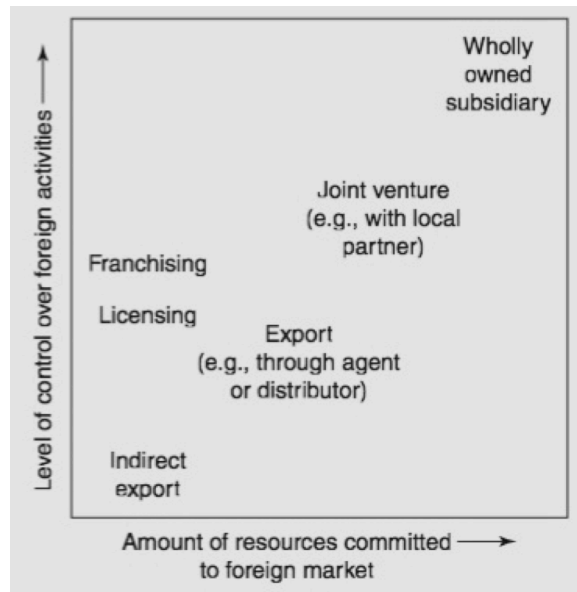
Nonetheless a study of Zahra and Elhagrasy (1994) estimated a 60% rate of failure for joint ventures because of conflicts between partners and lack of shared vision.

In a **greenfield** or solo venture, a foreign firm starts a new business from scratch in the local country, enabling the firm to fully control the operations at the expense of a greater risks (DePamphilis, 2012). Greenfield operations are more likely if the entry barriers are low and the cultural differences high (Harzing, 2002), if the entrants have already knowledge of the target market or multinational experience (Brouthers *et al.* 2000), if the rule of law is reliable and stable.

With the term Foreign Direct Investment (FDI) we include greenfield operations, cross-border M&A deals and joint venture (Sudarsanam, 2010). According to the OECD, the minimum investment threshold for FDI is 10%, indicating a significant degree of influence and control over the target company.



(Figure 1.4) Approaches to Foreign Market Entry



Source: Barlett, Beamish, 2010

### 1.3 Growth through Cross-Border M&A operations

Among the external lines of strategic growth, mergers and acquisitions represent a huge portion and have had an increasing diffusion both at international and national level. The leading advantage of M&A is the rapidity of gaining competitive advantages by acquiring know-how and market shares, especially in new geographic markets. The time factor is fundamental as the acquiring company has to weight up the advantages of a rapid execution with the complexity that an M&A operation entails. Acquiring a company set in another country demands particular attentions during the screening and in the integration phase in order to assure the value creation in the long term.

The distinction between the two types of restructuring has become increasingly blurred and the terms merger and acquisition are used interchangeably in the reports, or in combination even if the two are conceptually different. According to Gaughan (1999), a “merger is a combination of two corporations in which only one corporation survives and the merged corporation goes out of existence” with the acquiring company assuming all the assets and liabilities of the merged company. An acquisition, in contrast, merely involves transferring the ownership of one firm (the acquired, or target) to another (the acquirer). The ownership transfer may be either total or partial (Gaughan, 1999).

Regarding the geographical nature of the M&A deals, Shimizu *et al.* (2004) define cross-border M&A as “those involving an acquirer firm and a target firm whose headquarters are located in different home countries”.

Since cross-border deals have two directions of investment flow, it would be of use to specify the definitions of cross-border inbound and outbound operations. According to the definition of Mergermarket (Report H1 2014), inbound deals are those in which “the dominant geography of the target is X and the dominant geography of the bidder is outside X”; on the opposite, we define outbound deals where “the dominant geography of the target is outside X and the dominant geography of the bidder is X”. For the specifics of this dissertation, inbound deals refers to cross-border M&A where the dominant geography of the target company is the Italian territory.

The primary motivation for mergers and acquisitions is the creation of synergies, based on the principle that the value of the post merger firm is greater than the sum of the stand-alone firms (acquirer and target). According to Peter Neary (2002), the two broad drivers for achieving synergies are efficiency and strategic gains.

Efficiency gains can arise from operating synergies (economies of scale and scope), cost savings via internal technology transfer, managerial synergies, financing synergies and tax benefits.

Strategic synergies refer to the new strategies that are feasible post-acquisition thanks to the new management skills and new connections, such as cross-selling in new markets, the acquisition of new technology and the widening of product offerings.

With the involvement of a foreign country, cross-border M&A operations offer specific advantages for the growth strategy of the firm besides the advantages of a domestic M&A transaction. Some of them are the followings (Sicca, Bower 2001):

- Faster execution: the acquisition of an already-running firm shortens the times of establishment of a new firm, lowering the overall cost to entry in the market that characterize the growth via internal lines;
- Diversification of the product portfolio by leveraging the products of the target company;
- Acquisition of new resources and competences: the two parties have access to the knowledge and skills of the other, so to bridge the gaps and improve operations;
- Improving of the overall profitability thanks to the razionalization of the structures in the integration process;

- Crossing entry barriers and mitigating political risks. A local partner can overcome problems connected with political factors such as a hostile government or restrictive legislation;
- Fast entry mode in new geographic markets. The acquiring company takes over the market share of the target and the relations with customers and suppliers and can use the knowledge of the local market;
- Possible fiscal and financial benefits thanks to a lower acquisition cost or favourable fiscal laws.

There are some context situations where Cross-Border M&As are preferred compared to other ways of entering an overseas market. The literature about this topic is broad but the main factors that favor M&A operations can thus be summarized (DePamphilis, 2002):

- high entry barriers (Anand and Delios, 2002);
- low cultural differences (Harzing, 2002);
- higher risk tolerance of the acquirer (Kogut and Singh, 1988);
- the acquirer has experience in the market (Harzing, *ibid.*);
- the size of the acquirer is larger than the target (Raff et al. 2006);
- the target broadens acquirer's knowledge (Ferreira et al., 2005);
- the target allows rapid market penetration (Hennart and Reddy, 1997).

As we described in this paragraph, there are many reasons why Cross-Border M&A operations are chosen in entering a new geographic market. Nonetheless, to contribute in a significant way to the growth and value creation of the acquiring firm there are also some risks and barriers that must be considered.

## 1.5 The main risks and barriers

Compared to domestic acquisitions, cross-border acquisitions present greater challenges for buyers and a higher complexity to face. The information asymmetry, that is the root cause of the majority of risks, has an even greater impact in cross-border activities where the lack of knowledge of the market, the language and the laws makes the M&A process more demanding. In acquiring a foreign entity, the acquirer can face different barriers, Sudarsanam (2010) identifies the main four: structural, managerial, informative and cultural barriers.

- **Structural barriers** (Political, Regulatory and Infrastructure)

Among the structural barriers that may prevent cross-border M&A, we can enumerate political, regulatory and infrastructure-related barriers. Political barriers can discourage foreign acquirers from investing in two ways: the first one is represented by the political leadership uncertainty that can negatively influence the image of the country and the economic trend, blurring the future perspectives of attractiveness. The second way concerns the policies that actively obstruct foreign companies to takeover national companies. Protectionism and restrictions on foreign ownership can still present a barrier in particular for the companies that plan to enter in emerging economies.

Regulatory barriers refer to the laws that discourage the foreign presence, such as discriminatory tax laws against foreign acquirers (e.g. withholding taxes on dividends, interests and thin cap rules), antitrust regulation and foreign investment reviews (Sudarsanam, 2010). In some cases the laws don't obstacle directly the foreign acquisitions, but are so complex and murky that can lead to difficulties in managing the cross-border operation.

Not only a foreign bidder might be disadvantaged or impeded by a potential lack of information, but also some legal incompatibilities might show up in the merger process resulting in a deadlock, even though the bid would be "friendly". Therefore, the legal uncertainty may constitute a significant execution risk and act as a barrier to cross-border consolidation (Wan and Wong, 2009).

Moreover, supervisory board's strong powers can be present and block mergers in some countries if they have say on takeovers and strong redundancy rights (Sudarsanam, *ibid.*). Worker councils, unions and restrictive rules about the transfer or the layoffs of workers may constitute a large barrier for an efficient and quick corporate reorganization.

Even if it is not a structural barrier *per se*, the legal system and the protection of creditors and shareholders is a strong point that acquirers consider in entering a new country.

The last type of structural barrier is infrastructural, which is the lack in the target country of all the infrastructures that allow a smooth acquisition and integration process, such as M&A services, legal, accounting, and investment banking.

The infrastructural barriers were once present in countries like China and Japan, that progressively removed them by providing additional services to foreign acquirers. Nowadays infrastructural barriers are mostly an obstacle in emerging countries where the development of financial services has still to catch up with the industrial one.

- **Managerial barriers**

The barriers set by the ownership of the companies are formidable obstacles for hostile takeovers. In the Continental Europe, especially in Italy, the family control of companies (even the listed one) discourages takeovers and M&A operations, also causing problems linked to the generational turnover and the renewal of managerial competences.

Pyramid structures allow families to control large groups of enterprises with only a small amount of equity investment in the holding company or through differential voting powers for different classes of shares.

- **Information barriers**

The absence of reliable accounting information is a big barrier to overstep and hinders a proper valuation of the target company. Different criteria are used to draw up the financial statements in each Country, leading to an approximate valuation of the assets and the business of the target. In a cross-border context, a key problem with due diligence – particularly financial due diligence – can be poor transparency or availability of data, particularly in emerging markets or in transactions where the target is relatively small.

Even if within Europe many basic accounting rules have been harmonized and the EU has decreed that from 2005 European companies must follow the International Financial Reporting Standards (IFRS), in practise the quantity and the quality of accounting information is still variable. Accounting practises are biased to avoid tax liability: in some countries (like Germany and Japan) the accounts are prepared to satisfy the tax rules, so tend to have a conservative approach leading to understate profits.

Even in countries that have long-established and more sophisticated accounting regulatory systems, accounting documents are not always reliable. Recent scandals in the US (e.g. Enron, Worldcom) showed that a careful due diligence is always necessary to unveil falsely recognized revenues, understate costs and off-balance sheet borrowings.

- **Cultural barriers**

Every company has its own distinctive culture, often described as “the way we do things around here”, which comprises values, vision, norms and working style. The process of integration of the two firms is very challenging *per se*, even if the merging firms have the same national culture and share the same language as in domestic M&A. Nowadays, due to a globalization effect and the emergence of developing countries, many mergers and acquisitions are now cross-borders, which imply additional difficulties in dealing with different national cultures, where cultural gaps between target and acquirer can pose problems. According to an Economist Intelligence study (2012<sup>6</sup>), culture and communication constitute barriers even before that the acquisition process in a foreign country takes place. While more and more companies around the world expect to grow through international expansion, their plans are being hindered by the challenge of overcoming cultural and communication barriers. Almost two in three executives surveyed think that “better cross-border collaboration has been a critical factor in the improvement of their organisation's performance in the past three years”, but around one-half of them admits that ineffective communication or inadequate collaboration had obstructed major international transactions, inevitably resulting in financial loss.

The differences between corporate and national cultures can lead to cultural clashes during the merger process and generate a loss of value, talents and expertise for the company. According to Walsh (cited in Hill, 2001) “After an acquisition, many acquired companies experience high management turnover, possibly because their employees do not like the acquiring company’s way of doing thing”. The cultural barriers also appear during the integration phase, where many acquisitions do not achieve the forecasted goals and fail to realize synergies partly because of differences in company and national cultures.

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<sup>6</sup> [http://www.expatica.com/hr/hr-skills/Cultural-and-communication-barriers-hold-back-international-growth-of-companies\\_22291.html](http://www.expatica.com/hr/hr-skills/Cultural-and-communication-barriers-hold-back-international-growth-of-companies_22291.html), [access 10/03/15]

Nonetheless, the cultural differences between companies can also constitute a competitive advantage: according to a survey of Italian acquirers or Italian targets of other European companies conducted by Morosini et al. (1998), it was registered a benign influence on the performance due to the national cultural diversity.

Once the firm has overcome those barriers and decides to go further with the acquisitions process it still faces some risks that may put in jeopardy the process, some of them are:

1. *Valuation Risk*: once the acquirer has identified the target, it may run the risk of overpaying for the acquisition because it overestimates the potential synergies.
2. *Execution Risk*: those are obstacles that may pose a threat to a successful outcome of a bid, or may well result in the blocking of a deal during the realization (i.e. delays that postpone or stop the closing of the operation).
3. *Unforeseen costs*: an unexpected increase in the costs during the post-acquisition phase that can lead to price increase with negative effects on the demand.
4. *Post-integration cultural problems*: the parties involved do not adequately address the culture and communication issues that are at the heart of integrating two organisations, especially in two different countries.

Overall, the cross-border acquisitions may be reasonably considered riskier than purely domestic acquisitions because of the many barriers discussed. Nonetheless, they also provide new opportunities for growth through asset-exploiting or asset-augmenting, opportunities to diversifying business, political and economic risks.

The final value creation thus depends on the ability of the acquirer to choose the right target, to fairly measure the potential synergies and to integrate the two managerial and operative structures. Therefore, in order to reduce the risks, the information asymmetries should be lowered by a thorough due diligence (i.e. legal, contractual, projected growth) and the understanding of the suitability of the foreign market. This will give a better understanding of the target, including its reputation, political connections, the track record of its management team, and its approach and procedures in respect of key areas of risk management, such as anti-corruption policies and practices (Clifford Chance Report 2012)<sup>7</sup>.

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[http://www.cliffordchance.com/content/dam/cliffordchance/PDF/Feature\\_topics/Cross\\_Border\\_Changing\\_World.pdf](http://www.cliffordchance.com/content/dam/cliffordchance/PDF/Feature_topics/Cross_Border_Changing_World.pdf), [access 12/04/15]

According to the 2015 Outlook KPMG Survey<sup>8</sup>, among the factors that lead to deal success there are: a well-executed integration plan (42%), correct valuation (26%); effective due diligence (18%).

## **1.6 Types of investors**

The motivations and the risks of cross-border M&A activities described in the previous paragraph are too generalist and should be further segmented. Among the players in the M&A industry we can distinguish two type of buyers: strategic and financial. Although the final arrangement is the same (i.e. the acquisition of the target), there are different strategies, motivations, modus operandi, and goals behind each approach.

The different nature of strategic and financial buyers can be found both in the preliminary and in the execution phase, in particular in (Martos-Vila, 2013):

- Economic valuation of the target;
- Choice of the target industry;
- Potentialities of infrastructures and back-office;
- Timeline of the investment
- Efficiency and speed of the operation.

*Strategic Buyers* are operating companies that provide products or services and are often competitors, suppliers or customers of the target firm (Axial, 2010)<sup>9</sup>. They can also be unrelated to the company but looking to grow in its market to diversify their revenue sources or to acquire market share. The operation is strategic for the acquirer because it results in increasing market share or industrial synergies through vertical or horizontal integration. Their chief objective of strategic buyers is to acquire 100% of the shares (or assets) and they intend to own the acquired business indefinitely. Hence, strategic buyers will look at exploiting synergies between their company and the target and they will evaluate the acquisitions in the context of how the business will tie in with their existing one. Since they are usually well-aware of the industry, its trend and the competitive landscape, strategic buyers focus less on the industry and more on the target firm and the corporate strategy.

On the other hand, *Financial Buyers* include private equity firms, venture capital firms, hedge funds, family investment offices and ultra high net worth individuals (UHNWs).

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<sup>8</sup> <http://www.kpmgsurvey-ma.com> [access 12/04/15]

<sup>9</sup> <http://www.axial.net/forum/5-differences-financial-strategic-buyers/>, [access 08/01/15]



These firms and executives are in the business of making investments in companies with high growth potentials in order to realize a return on their investment. Their goal is to identify private companies with attractive future growth opportunities and durable competitive advantages, invest capital, and realize a return on their investment with a sale or an IPO within a short time window (5-7 years). Since financial buyers are not interested in integrating the new business with the existing one, they will mainly focus on financial optimization and look at the standalone cash-generating capability and the capacity for earnings growth. For this reason financial buyers pay a lot of attention in the back-office structures (such as human resources, IT infrastructure, administration and management) because will be at use in the post acquisition phase. Also the exit strategy has fundamental importance for financial investors, who need to understand in which phase of the business cycle the target is, and the available exit opportunities.

### **1.7 Value creation in Cross-Border M&A**

M&A operations and their effect on value creation are an evergreen topic of interest to researchers. Even though the wealth effects of domestic mergers and acquisitions are discussed to a large extent in the literature, consequences of cross-border M&A are still a topic of analysis. The answer whether cross-border M&As create value, highly depends on the definition of “success”, the method of measurement and on the event window considered. The definition of success in a M&A transaction differs in accordance with the points of views of stakeholders, such as shareholders, managers, employees, the firms themselves, and the interests of these groups do not always coincide (Sudarsanam, 2010).

The vast majority of the empirical studies consider “success” in terms of shareholders’ wealth (according to the finance theory perspective), measure by abnormal returns<sup>10</sup>. The time period for evaluating the wealth increase derives from the view of the informational efficiency of the capital markets: if they are efficient, they would foresee all the future benefits and costs and factor them into share prices at the time of the merger, calling for a short event window (Mitchell and Stafford, 2000). The opposite is also true: when capital markets react more slowly to information and wait to see the progress of acquisition integration and competitor reaction, it is better to lengthen the event windows to several years.

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<sup>10</sup>*Abnormal returns* are the actual return in excess of the normal (i.e. benchmark, returns the shareholders might have received except for the takeover offer), Sudarsanam 2010

Nonetheless, a research conducted by Sirower and Sahna (2006) showed that the initial market reactions are persistent and indicate future performance quite accurately. The empirical studies using the abnormal returns methodology achieved controversial results showing both positive and negative returns for cross-border M&A. The results depend on the sample of countries analysed and the period taken into consideration, therefore it is hard to draw general valid conclusions.

Among the empirical studies that investigated the short-term effects of cross-border M&A of US firms targeted by non-US acquirers, Cakici *et al.* (1996) found positive abnormal returns of 2%, while in the study of Eun *et al.* (1996), UK acquirers experience wealth losses (-1,2%, 11 days). For European targets, the study of Gregory and McCorrison (2005) shows negative returns for UK acquirers and the paper of Goergen and Renneboog (2003) implies strong positive returns in the first 5 days from the announcement and a slightly negative overall return after 121 days. The same authors also found announcement effects of 9% for the target firms compared to a statistically significant announcement effect of 0,7% for the bidders (analysis of short-term wealth effects of large intra-European takeover bids).

It is also seen that when the acquisition is asset seeking in the form of the target's R&D capabilities or advertising, the acquirer's performance is superior (Morck R. and Yeung B., 1991).

In conclusion, the effects on value creation of cross-border M&A are fairly positive but still controversial.

Another way to measure the success and the value creation of cross-border M&A is through surveys. In a survey of Bleeke *et al.* (quoted in Sudarsanam, 2010), success was measured by: the improvement in the acquired company's return on equity and return on assets, and whether the return on capital exceeded the acquirer's cost of capital. In the 319 deals analyzed (acquisitions carried out by US, Japanese and European corporations), the overall success rate for the sample was 57%, better than domestic acquisitions' value of 55% (Sudarsanam, *ibid.*).

Among the factors that may have contributed to the success there are:

- the target is in the core business of the acquirer;
- target are strong local performers in financial and capabilities terms
- the merging entities carry out significant mutual skill transfers.

In another survey made by Baker & McKenzie, (Going Global Report”, 2014)<sup>11</sup>, 86% of respondents deemed their last cross-border deal as successful and over a third of respondents (34%) plan to undertake further cross-border transactions over the next two years. The sample might be biased (all the respondents were C-level executives) and acquisition success varies with the underlying business strategy for value creation, but it is still significant how the cross-border M&As are perceived by executives nowadays.

### **1.8 Recent trends in Cross-Border M&A**

Many studies have documented the trend over the years of M&A deals, both domestic and cross-border, finding patterns and waves of acquisitions over the years. In this section we will not go through the history again, but we will take into account the latest trend for global cross-border M&A, the industries and the Countries involved in the transactions.

Figure 1.5<sup>12</sup> shows the historical series of the global transaction value for M&A deals (left scale) and the country cross-border share (right scale).

In the recent years the global recovery has begun to gather pace and the global value of M&A is going back to the pre-crisis levels. In the first six months of 2014 the global value of deals reached US\$ 1.571 bn, the highest valued half year since 2007, with a deal value increased by 56,3% compared to H1 2013 (US\$ 1,005bn) and up by 29,8% compared to H2 2013.

The share of country cross-border M&A rose as well, accounting for 46,1% of the total M&A value. As firms have begun to search for growth opportunities they have looked further afield, making the re-emergence of cross-border activity a central theme of M&A in 2014 (Financier World, 2014<sup>13</sup>).

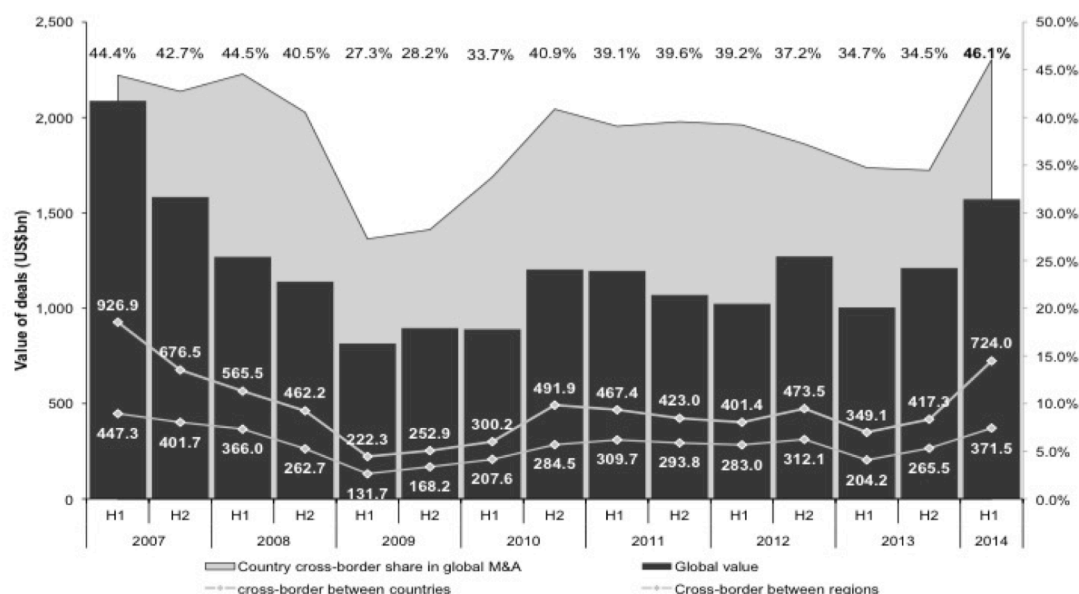
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<sup>11</sup> <http://www.bakermckenzie.com/goingglobal/>, access [15/01/15]

<sup>12</sup> Mergermarket H1 2014 Trend Report (July 2014)

<sup>13</sup> [http://www.financierworldwide.com/cross-border-ma-boom/#.VWiXDWB\\_W5I](http://www.financierworldwide.com/cross-border-ma-boom/#.VWiXDWB_W5I), access date 20/04/15

(Figure 1.5) Value of global M&A deals and share of cross-border  
Value of deals (US\$bn)



Source: Mergermarket H1 2014 Trend Report (July 2014); All data is based on transactions over US\$ 5m and is based on the Mergermarket's M&A deals database.

The resurgence in the cross-border M&A activity appears to be a new business reality in the post-recession world and has been built on a number of factors, such as a risen confidence in M&A over the last 12 months.

According to Troy Ungerman, partner of Norton Rose Fulbright<sup>14</sup>, as we emerge from the shadow of the financial crisis, the recent rise in cross-border deals may be a manifestation of this increased risk tolerance and a corresponding willingness to take more risks. It doesn't come as a surprise then, that the most frequent and prevailing motivation for cross-border M&A is the access to new customers: with increased risk tolerance, newly confident and solvent businesses are keen to expand by selling their offerings to new markets.

Some observers expect M&A volume and value to continue to grow throughout 2015, reaching pre-financial crisis levels in 2015 for the first time (Financier World, *ibid*). Other factors that have influenced the rise are: the lack of deal activity in the post crisis years (contributing to pent-up demand for transactions), an increased investor appetite for growth, the availability of cheap debt and a lack of other ways to cut costs also drove companies to seek out M&A opportunities in 2014.

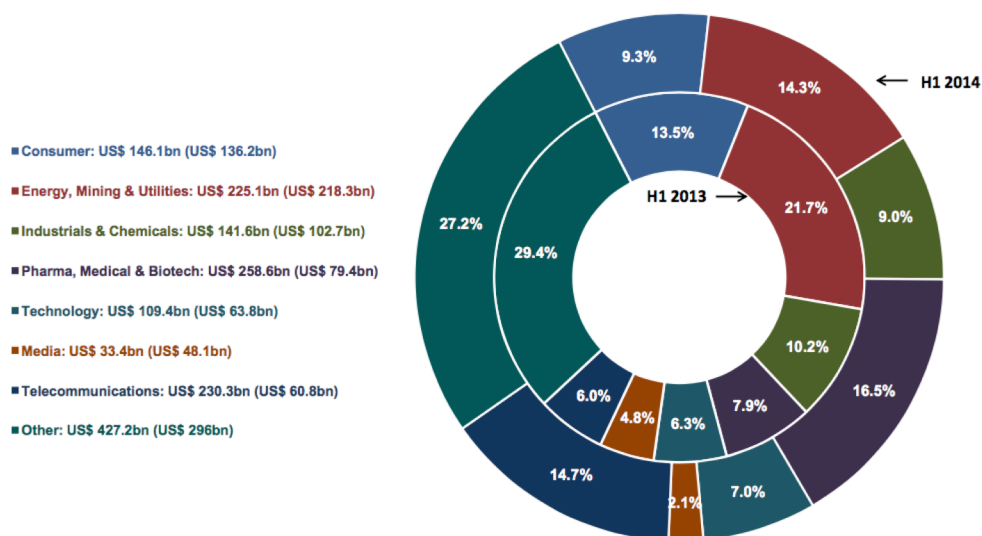
<sup>14</sup> Article in <http://www.deallawwire.com> August 14, 2014

The cost-cutting carried out by a number of entities in the wake of the global financial crisis has resulted in many companies now having cash to deploy. Moreover, companies in the emerging and high-growth market countries that were less affected by global economic woes are eager to expand, and one of the quickest way to do so is via M&A (Baker & McKenzie, 2013).

In 2014, the most targeted industries in the global cross-border M&A activities were the Pharma's, Telecommunications' and Energy, Mining & Utilities (figure 1.6). The main causes are related to the rapid changes in these industries and the consequent need to consolidate and to innovate, pushing the firms to have access to new technologies, new products and new markets.

The Pharma, Medical & Biotech industry was the most active with deals valued at US\$ 258,6 bn taking a 16,5% market share in global M&A.

(Figure 1.6) Industry Breakdown for Cross-border M&A deals



Source: Mergermarket H1 2014 Trend Report (July 2014)

According to E&Y analysis of the European attractiveness, the global uptick in M&A was mirrored in Europe, where companies began a wave of consolidation in financial services, pharmaceuticals, manufacturing and communications. The weakening of the euro, which has accelerated since year-end, has made many Continental European assets or investment projects more affordable, especially for those paying in dollars, pounds or Swiss francs.

But investors may also have reacted to the first signs of a long-overdue and multispeed European economic recovery that has since been confirmed, which is encouraging a rising wave of business investment across the region. In the final quarter of 2014, a sharp fall in energy prices also bolstered Europe's attractiveness and stimulated its nascent economic recovery<sup>15</sup>.

### ***1.8.1 Trend of Global FDI***

Since Cross-border M&A represent a significant component of Foreign Direct Investment (FDI), it is reasonable to understand the global trend and the investment flows between countries. Looking at Figure 1.7 we can notice the shift in the distribution of FDI inflows between developed and high-growth markets.

At the beginning of the 2000s, the distribution of FDI flows was split between developed and developing countries at 80% versus 20%. But over the past 14 years, the economies in developing countries have drawn more than half of global FDI. In 2012, 52% of all FDI flowed into these countries while developed countries only saw 41,5%<sup>16</sup>. After the 2012 slump, global foreign direct investment flows rose by 9 per cent in 2013, with an encouraging trend expected to continue in the years to come (UNCTAD projections, *ibid.*).

Over the past three decades, the most significant downturn was in 2002-2003, driven by weak economic growth, tumbling stock markets (which contributed to a plunge in cross-border mergers and acquisitions) and institutional factors such as the winding down of privatization in several countries (UNCTAD 2003<sup>17</sup>).

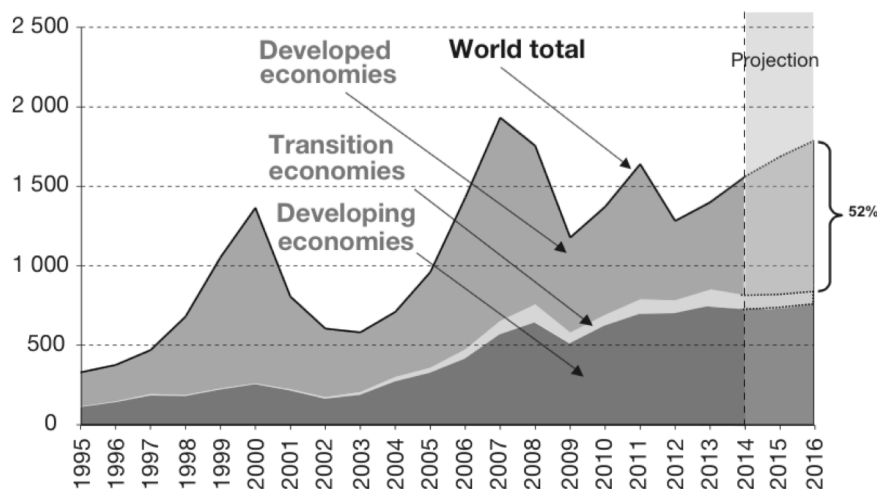
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<sup>15</sup> <http://www.ey.com/GL/en/Issues/Business-environment/ey-european-attractiveness-survey-2015>

<sup>16</sup> [http://world-economic.com/articles\\_wej-307.html](http://world-economic.com/articles_wej-307.html)

<sup>17</sup> [http://unctad.org/en/docs/wir2003light\\_en.pdf](http://unctad.org/en/docs/wir2003light_en.pdf), access 02/01/15

(Figure 1.7) **FDI inflows, global and by group of economies**  
Billions of dollars



Source: UNCTAD, World Investment Report 2014,

### 1.8.2 Countries involved in FDI

By arranging the countries according to total value of FDI, we can see the top attractive and investing countries for the period 2012-13 (Figure 1.8).

In the top home economies, the classification is dominated by the developed economies, with six developing and transition economies ranked among the 20 largest investors in the world in 2013. The top investing countries are the United States, Japan, China, Russia and Hong Kong, followed by Switzerland, Germany and Canada. In 2013 all the countries have invested more outbound compared to the year before, with the exception of Germany, Canada, South Korea and United Kingdom which reduced their overseas investments.

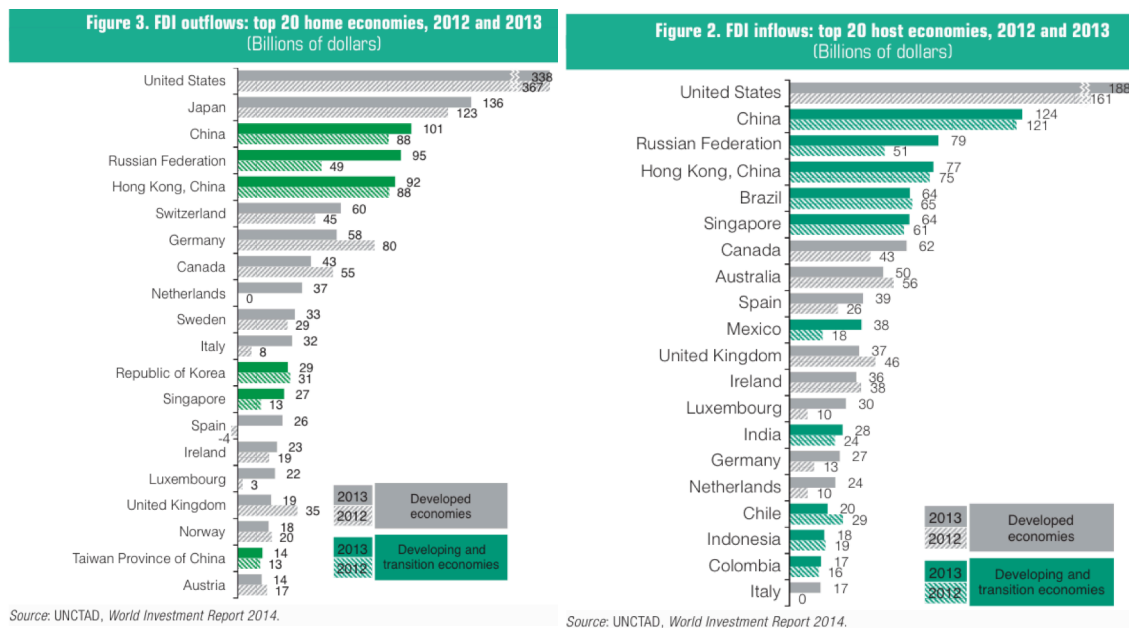
The top countries for home economies are the same also in the host economies, where the United States, China and Russia lead the classification, all of them with an increase of FDI inflows compared to the year before. Nonetheless there is a larger presence of developing countries with Brazil, Singapore, Mexico, India, Chile, Indonesia and Columbia.

According to the analysis made by UNCTAD (2014, *ibid.*), developing Asia continues to be the region with the highest FDI inflows, significantly above the EU, traditionally the region with the highest share of global FDI.

FDI inflows to the ASEAN countries (Association of Southeast Asian Nations) reached a new high in 2013 (+7% than 2012) as well as to the other major developing regions, Africa (up 4 per cent) and Latin America and the Caribbean (up 6 per cent, excluding offshore financial centers).

Italy is at the 11th place for the FDI outflows while it ranked 20th in the FDI inflows, highlighting a low attractiveness of the country for foreign investments.

(Figure 1.8) Top 20 Economies, 2012-2013: FDI outflows and inflows



Globally speaking, the trend suggests that the target countries are increasingly to be found in the APEC countries (Asian and Pacific countries), disclosing in 2013 double FDI inflows as they were at the pre-crisis level both in the ASEAN and BRICS countries (Brazil, Russian Federation, India, China, South Africa). With total FDI inflows of \$426 billion in 2013, developing Asia accounted for nearly 30 per cent of the global total and remained the world's number one recipient region.



### *1.8.3 Attractive destinations for doing business*

The Country destination for the global M&A market is changing, shifting patterns in outbound M&A signal a greater proportion of deals involving high- growth markets in the years ahead.

The flows of inbound FDI and the attractiveness of the Countries do not necessarily address the best countries for doing business. As a matter of fact, figure 1.7 just lists the countries where most of the Foreign Direct Investment takes place, without any explicit considerations regarding the motivations. Some of the target countries are chosen for the cheaper resources, some for the potential market and some others for the easiness to conduct business.

To rank the 50 best countries for conducting business, Bloomberg analyzed 157 countries on six broad criteria, namely the degree of economic integration, the cost of setting up a business, the cost of labor and materials, the cost of moving goods, and less tangible costs like inflation and the amount of corruption, the health of its consumer base<sup>18</sup>. Figure 1.9 displays the top 16 countries in 2014, with Hong Kong topping the list, thanks in part to the low cost of starting a business there. Canada moved from sixth place to second largely because of the receptivity of its consumers, measured by the size of its middle class, household consumption and GDP per capita. The U.S. fell from second to third place, as the cost of setting up a business there increased relative to other countries. Nonetheless the United States remains the top country for inbound investments, offering to the investors an attractive consumer market, a robust supply-chain for manufacturing, a broad range of possible locations for investment, well-educated and productive work force, a stable political system, a predictable and transparent legal system and tax incentives<sup>19</sup>. Some of the developing countries that are in the top host countries fall behind in the Bloomberg's ranking, even if the BRIC countries mostly improved their standing in 2014. Brazil jumped from 61st place to 38th; Russia went from 56th to 44rd place; and India climbed from the 54th position last year to the 48th slot this year. But China continued to slide, dropping from the 19th position in the ranking's first year to a rank of 28 this year. Italy ranks 26<sup>th</sup>, before Poland, China and Malaysia.

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<sup>18</sup> <http://www.bloomberg.com/visual-data/best-and-worst/best-for-doing-business-countries>, [access 05/03/15]

<sup>19</sup> <http://selectusa.commerce.gov/why-select-usa.html> [access 27/04/15]

(Figure 1.9) Best countries for doing business

2014 Rank	Country	↓ Total score	2013 Rank	Degree of economic integration score	Cost of setting up a business score	Cost of labor & material score	Cost of moving goods score
1	Hong Kong	83.4	1	79.1	95.3	62.2	93.8
2	Canada	81.5	6	92.3	79.2	69.0	83.9
3	United States	80.2	2	93.5	78.1	73.5	87.4
4	Singapore	80.1	8	76.0	89.4	56.0	91.5
5	Australia	79.9	6	85.4	84.8	70.1	82.6
5	Germany	79.9	5	92.1	70.4	70.9	88.4
7	United Kingdom	79.4	10	91.3	77.9	68.7	83.8
8	Netherlands	78.0	4	78.9	74.0	63.8	88.9
9	Spain	77.0	16	94.9	78.2	67.9	81.3
10	Sweden	76.2	12	82.5	70.7	65.0	80.4
11	France	76.0	14	91.5	73.5	63.3	80.8
12	Japan	75.6	3	89.4	66.9	73.6	81.6
13	South Korea	75.3	21	78.7	75.9	69.1	81.9
14	Finland	75.2	15	81.6	70.9	61.7	79.8
15	Norway	74.4	19	85.0	78.4	58.9	66.4
16	Luxembourg	74.3	24	69.8	90.0	49.8	74.4

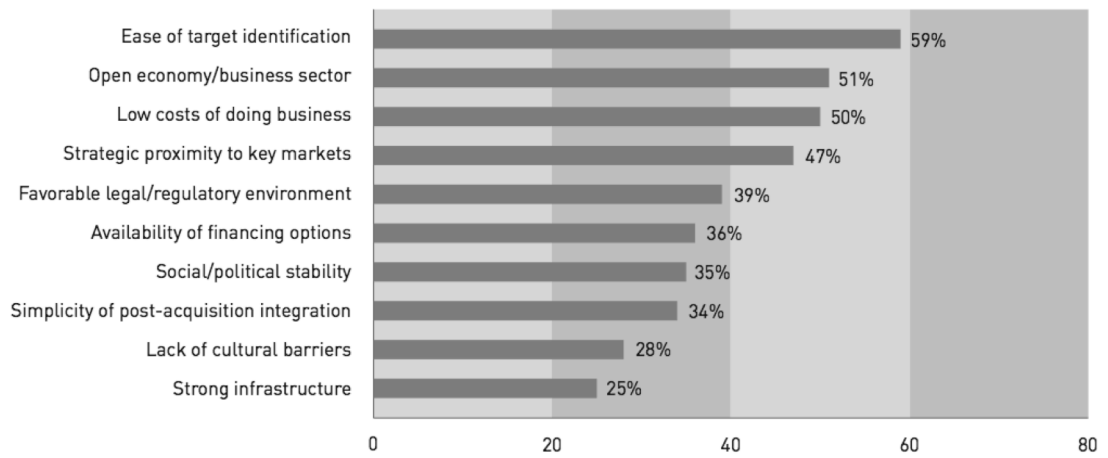
Source: Bloomberg, January 2014, <http://www.bloomberg.com/visual-data/best-and-worst/best-for-doing-business-countries>

The easiness to conduct business has a direct impact on cross-border M&A transactions, as showed by the survey of Baker & McKenzie (figure 1.10).

All respondents placed a high emphasis on an open economy as an important feature in the choice of destination and on the low cost of doing business.

A majority (59%) cited ease of identifying acquisition targets as the most important factor in choosing an investment destination, with slightly more than 60% of high-growth market executives holding this view. In less frequented markets, the relatively lower number of potential targets may make it easier to identify the most attractive companies for investment.

*(Figure 1.10)* **What makes a country an attractive destination for M&A activity?**



Source: Baker & McKenzie survey, April 2013

# The North-East of Italy

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## 2.1 Overview of the North-East of Italy

In this chapter we will present an overview of the main economic data of the North-East of Italy and the factors that can affect the outbound and inbound M&A deals. In particular, the first paragraph provides information about the corporate governance and the financial structure of North-East firms, the second paragraph presents the internationalization process, while the third one deals with the attractiveness of Italy and the North-East regions. The information displayed hereby are mainly extracted from the reports of the Bank of Italy for the economy of North-East and its cross-border activities and from the reports of Fondazione NordEst (where Emilia-Romagna is excluded from the analysis).

Firstly, a clarification in the terminology is needed: according to the ISTAT official subdivision (first level NUTS<sup>20</sup>), the North-East regions comprise Friuli-Venezia-Giulia, Veneto, Trentino-Alto Adige and Emilia-Romagna, thus extending the concept of “Triveneto” to Emilia-Romagna.

The interest for the North-East of Italy comes from its importance in the Italian economy: a fifth of the Italian population lives in these regions, a fourth of the private sector of GDP is produced and almost one third of the total exports are originated from these regions (Report Bank of Italy, 2011<sup>21</sup>).

Besides being close by geographic reasons, the North-East regions have a similar economic structure, where small and medium enterprises prevail and a low unemployment rate is present.

Some of the differences among the regions are reflected in their different jurisdictions: Emilia-Romagna and Veneto are regions under ordinary statute, while Friuli-Venezia Giulia and Trentino-Alto Adige are regions under special statute. Being under special statute involves more autonomy and a peculiar socioeconomic structure: in Trentino the cooperative

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<sup>20</sup> [http://www3.istat.it/strumenti/definizioni/comuni/ripartizioni\\_regioni\\_province.csv](http://www3.istat.it/strumenti/definizioni/comuni/ripartizioni_regioni_province.csv), [access 03/03/15]

<sup>21</sup> <http://www.bancaditalia.it/pubblicazioni/collana-seminari-convegni/2011-0008/economia-del-Nord-Est.pdf> [access 03/03/15]

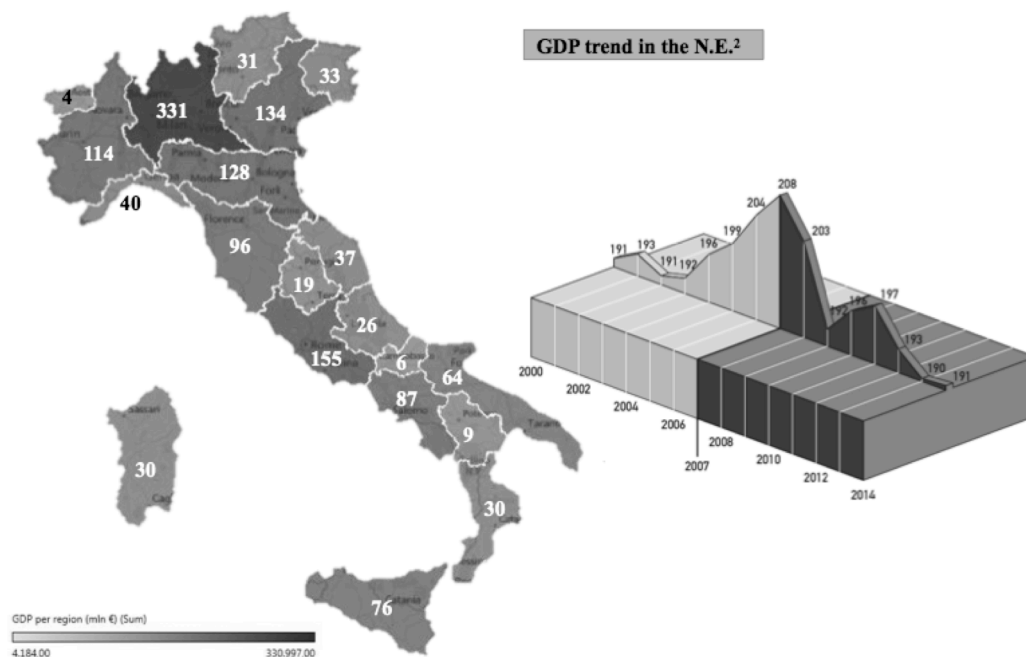
model is prevailing while the other regions are characterized by family-based corporate governance systems.

For many years the North-East regions have been the locomotive of the Country, able to give a significant contribution to the economic growth. Contrary to the North-West of Italy, the North-East area became one of the top players in the economic Italian fabric without fundamental prerequisites such as natural and financial resources or State's interventions in the industrialization process. The North-East firms succeed over the years thanks to the strong network among the firms and the local territories, the entrepreneurial skills, and the projection towards the international markets since the beginning. The latter was facilitated by the geographic position, putting in contact the Italian production to the European one (Bank of Italy, *ibid.*).

### 2.1.1 GDP by regions

The North-East Regions make up for the 23% of the National GDP<sup>1</sup>, following the share of Lombardia and Piemonte (31%). In the top Italian regions by GDP, Veneto and Emilia-Romagna are at the third and fourth place, right after Lombardia and Lazio (figure 2.1).

(Figure 2.1) Italian GDP by regions and GDP trend in the North-East  
Total € billions<sup>1</sup>



<sup>1</sup>The data refers to the total GDP by Italian regions, ISTAT 2011, own elaborations

<sup>2</sup>Excluding Emilia-Romagna, source: Report Nord Est 2015, Fondazione NordEst

Still representing a fair share in the Italian economy, the economic growth of North-East regions has slowed down with a decrease of 8 percentage points in the GDP since 2007. According to Stefano Micelli (Report Nord Est, *ibid.*), there are three factors that may explain the economic difficulties: the fall of internal demand, higher unemployment rate and demographic population.

The fall of the internal demand has been of 9% in the time frame of 2007-2014, due to the reduction of the families' consumption (-6,1%) and above all in the investments (-22,5%). Moreover in the same period the unemployment rate went up from 3,4% in 2008 to 7,7% in 2013, hitting in particular the manufacturing and construction industries (job loss for 134 thousands units). Concerning the demographic variable, the total population increased from 6,7 millions in 2002 to 7,2 millions in 2013 with three contributing factors. The first one is the increase in the foreign population from 3,4% in 2002 to 10% in 2014, related both to the new arrivals and to the newly born. The second one is the remarkable aging of the population: the elderly age index (measured by the ratio between the people over 65 years old and the youngsters under 15) went from 137 in 2000 to 153 in 2014. The last consideration is about fertility rates (average number of children per woman): the values are definitely lower than the other European countries, even though they are growing thanks to the foreign population.

### ***2.1.2 Corporate governance***

The corporate structure of the North-East enterprises is made up of mainly family-businesses, even though during the '90s there have been significant changes. Some of them are the growth and the consolidation of large companies through horizontal mergers and acquisitions, the creation of groups operating in one single sector (with vertical integration in both ways) and the privatization of the large public industrial firms.

For the industrial firms, the researches of the Bank of Italy showed that the ownership is more highly concentrated (with individual or family control) in the North-East than in North-West of Italy: 71,2% versus 66,8% (Economia del Nord Est, 2011).

The corporate governance structure of the North-East of Italy contributes to two main critical points inherited from the past and rooted in the features of the regions: the insufficiency of managerial and financial resources.

Among the factors that most influence the dynamism of a company there are the managerial skills and the quality of the human resources.

The family-business model facilitates the entrance of family members that in some cases may not have the managerial skills for being reliable decision-makers.

According to the XVII AlmaLaurea Report<sup>22</sup> (which gathers the employment data of young graduates), underlines the large number of Italian entrepreneurs that didn't attend any university degree (28% of them in 2013), compared to Germany (5%) and the European 27 countries average (10%). This group of brave and risk-taker Italian entrepreneurs created more family-businesses compared to other European countries (66% in Italy, 36% in Spain, 28% in Germany), a phenomenon even stronger for the North-East Italian regions. Nonetheless the large presence of family business and the lack of managerial resources implied the inability to value the human capital, the work innovation and the internationalization.

The second point that obstacles the growth of firms is the lack of financial resources, in particular the risk capital. For this reason, the growing number of deals carried out by private equity funds in the North-East should be considered a positive factor because these operations support the growth of the firms, especially in the international markets. Moreover, the private equity's deals reduce the information asymmetries (favoring the bank indebtedness and risk capital) and foster the management turnover.

### ***2.1.3 Financial Structure***

The financial structure of North-East firms is characterized by an high leverage (debt divided by the sum debt and equity) of 49,7 % in the time span 2005-2008 as reported by the Bank of Italy's analysis (Economia del Nord-Est, October 2011).

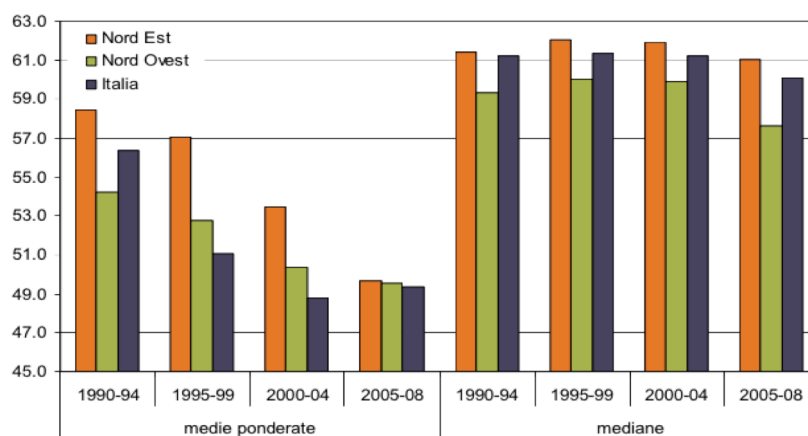
Comparing the indicators with the North-West, area very similar to the North-East in terms of economic and financial development, we see that the difference of 2,6 percent points in the leverage is not attributable to specific needs of financial resources, but to the relations with the banks (figure 2.2). The higher leverage in the North-East firms is associated by multiple lines of credit with different banks and it partly reflects the family-business governance, less willing to open the capital to new shareholders.

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<sup>22</sup> <http://ilmanifesto.info/storia/almalaurea-rapporto-sulla-morte-programmata-delluniversita-pubblica/> [access 04/04/15]

(Figure 2.2) Leverage ratio for Italian macro-regions

Values in percentage



Source: Centrale dei Bilanci, 2011

The difficulties and the flaws pointed out in the paragraphs so far shouldn't prevail on the strengths of the North-East of Italy. In the analysis of Fondazione Nord Est (*ibid.*) there are two main points of strength that should be capitalized on: the human capital and the internationalization. According to the Ocse Pisa survey<sup>23</sup>, the students in the North-East regions perform better than the Ocse average in linguistic and math skills, an advantage present also in the high-schools, particularly in the technical area. The other competitive factor is the internationalization of the firms: the North-East enterprises have always been active in the international scene compared to other Italian regions, confirmed by the 37% ratio of exports/GDP, increased by 7% from 2009 to 2012.

## 2.2 The North-East and the internationalization

According to the survey "Italia delle Imprese 2011" conducted by Fondazione Nord Est, the North-East appears to be the area with the higher number of firms operating abroad: 47,1% of the total (+9% compared to the Italian average). The internationalized firms in North-West amount to 41,6%, Lombardy 42,3% (considered as standalone), and the 32,1% in the Centre (figure 2.3).

<sup>23</sup> <http://www.corriere.it/scuola/speciali/2013/rapporto-ocse-pisa/notizie/nordest-campione-matematica-ocse-pisa-dc0911cc-5b88-11e3-bbdb-322ff669989a.shtml>, [access 20/03/15]



(Figure 2.3) Italian firms that interact with foreign countries

% values

	North-West	Lombardy	North-East	Centre	South & Islands	Italy
Currently	41,6	42,3	47,1	32,2	38,3	38,1
In the future	0,8	0,8	0,4	1,2	0,5	0,7
In the past but currently no	2,0	2,4	4,4	5,8	6,8	4,4
No	44,6	54,5	48,1	60,9	64,5	4,4
Total	100	100	100	100	100	100

Source: Fondazione Nord Est – UniCredit, “Italia delle Imprese”, June 2011 (firms interviewed 1227)

During the last years the number of internationalized firms has been growing, even though it is still lower than the European average (-32,9%, as in figure 2.4). The increased openness towards the foreign countries is due to the domestic difficulties that Italian firms had to face since the crisis and it is a process that will continue to grow, in particular towards the emerging countries (D’Aurizio, 2014).

(Figure 2.4) Share of outbound FDI in % of National GDP

% values

	1990	2000	2007	2012
World	10	25,1	34,9	33,6
European Union	11,2	41,4	51,5	58,8
<b>Italy</b>	<b>5,4</b>	<b>15,2</b>	<b>18,3</b>	<b>25,9</b>
France	9,0	69,8	69,5	53,9
Germany	8,8	28,7	40,1	45,6
United States	12,7	27,2	37,8	34,6

Source: UNCTAD, Bank of Italy for the Italian data, 2012

Compared to the other European countries, Italian firms prefer light forms of internationalization (Pellegrini, 2014 from EFIGE source), such as international outsourcing and export (in proportion, the share of exporting firms is higher in Italy).

The trend is particularly true for the North-East, where 89,1% of the internazionalized firms export products or services and only 11,7% performed cross-border M&A (Figure 2.5). Nonetheless the North-East firms performed more greenfield operations (22,1% compared to the other Italian regions) and have foreign suppliers (80,4% of them).

(Figure 2.5) Entry modes in foreign countries

% values

	North-West	Lombardy	North-East	Centre	South & Islands	Italy
Export	87,5	90,5	<b>89,1</b>	88,2	79,7	87,2
Outsourcing	30,8	31,4	<b>28,7</b>	28,2	38,6	30,4
M&A	12,5	12,5	<b>11,7</b>	20,0	11,9	14,0
Greenfield	16,6	12,3	<b>22,1</b>	10,0	5,2	15,2
Sales agents	36,5	38,1	<b>42,4</b>	46,4	35,6	40,3
Commercial branch abroad	23,5	24,8	<b>28,7</b>	15,5	8,6	21,3
Foreign suppliers	74,6	74,3	<b>80,4</b>	71,8	69,5	75,0

Source: Fondazione Nord Est – UniCredit, June 2011 (firms interviewed 1227)

The preference for a low-risk entry strategies in new markets is affected by the characteristics of the North-East firms, such as the small dimension.

North-East firms deem “strongly internationalized” (definition that applies to the firms that maintain stable and structural relationships with foreign markets, as a result of having at least 10% quote of the total yearly revenues coming from abroad) are well-structured, medium-large dimension (from 50 employees) and strong innovators (Bergamasco, “L’Italia delle imprese”, 2011). Not only larger and more productive companies invest abroad (selection ex-ante), but they have also higher return ex-post such as increased revenues and advantages from “*learning by investing*” (D’Aurizio, 2014).

When analysing the internationalization phenomenon, it is easier to study the effects and the outputs (target countries, products, FDI), rather than understanding the input and the motivations behind the decision.

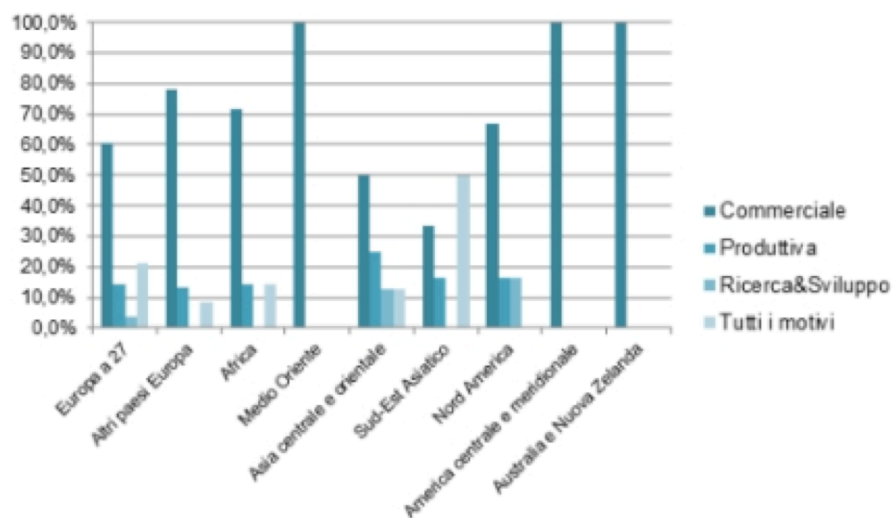
We deeply discussed the general motivations that push firms to enter new geographic countries in Chapter 1 while the survey “Internationalizzazione a Nord Est” (2013), analyzes the specific reasons for North-East firms (figure 2.6), dividing them in commercial (access to new markets), productive process (cost advantage) and research & development.

Entering the international markets for the North-East firms (excluding Emilia-Romagna, not considered in the survey) means, above all, selling to foreign markets thus to enlarge the customer basis, the commercial motivation is thus predominant in all the geographic areas.

In Central Asia and in the South-East, the North-East firms seek cost advantages in the productive process, driven by the lower cost of labor and fiscal advantages.

The R&D motivation, which includes the acquisition of strategic assets, is present mainly in the South-East Asia and in North America, where 17% of the firms indicate the R&D acquisition as the main reason for internationalization.

(Figure 2.6) The main reasons for internationalization by target geographic area  
% values



Source: Campagnolo, Becoming International Survey, 2013

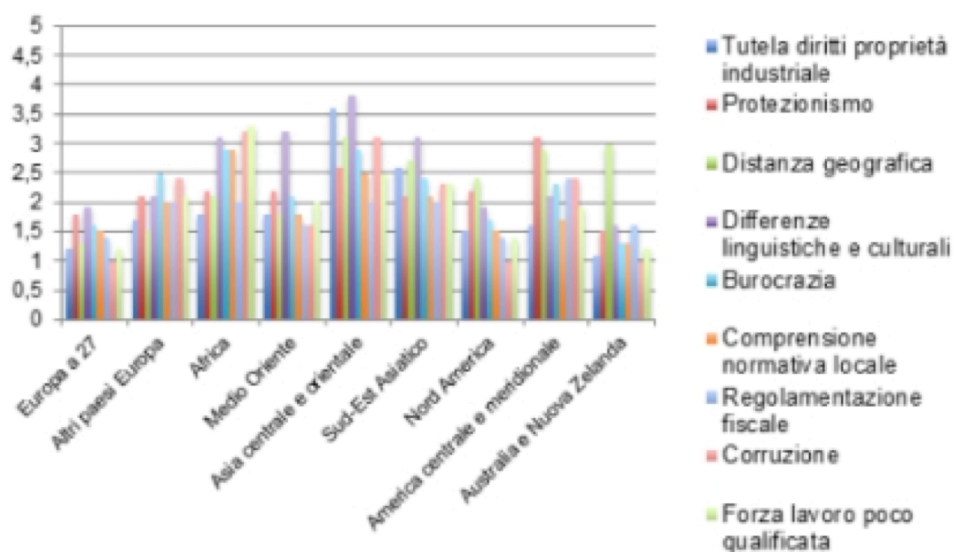
### 2.2.1 *Obsacles to the internationalization*

For the majority of the small and medium enterprises of North-East, the internationalization is seen as a difficult process, especially in the farther areas with the higher growth potential, such as Asia and Central-South America (Figure 2.7) for the lack of familiarity with the new context. In the survey “Becoming International”, it was asked to the interviewees to rate the difficulties in entering a foreign market, from 1 to 5, the latest standing the higher complexity. The covered obstacles were geographic distance, cultural and linguistic differences, protectionism, legal protection in intellectual property, bureaucracy, corruption, skilled-labor. We can notice that cultural and linguistic differences are strong obstacles in Asia, Middle East and Africa, and also in Europe 27 countries even if it may seem unlikely, given the economic homogeneity and the geographic closeness.

Protection of intellectual property rights is an issue in Central and East Asia and in Africa, where many entrepreneurs complain difficulties in understanding the local laws and in finding skilled workforce.

For North-East firms geographical distance is a problem when dealing with further countries such as Australia and New Zeland, South America and South Asia.

(Figure 2.7) The main obstacles for internationalization by target geographic area



Source: Campagnolo, Becoming International Survey, 2013

The lack of knowledge of the target country is also the most frequent obstacle that Italian firms meet when they want to enter a new foreign market according to the analysis conducted by the Bank of Italy (Cristadoro, 2014). The scarcity and the opacity of information unveil a business opportunity for all the consulting companies that advise their clients in entering new geographic markets and in overcoming the legal and institutional barriers.

### **2.3 Market attractiveness for foreign investors**

The question whether the North-East territory is attractive for foreign investors is strictly connected to the attractiveness of the Italy as a whole. As figure 1.8 displayed, the factors that influence the inbound M&A deals are: the openness of the economy and the easiness of conducting business. Italy is known for its problems such as political instability, the high deficit/GDP ratio, the low GDP growth, the decreasing internal demand, a lumbering bureaucracy, high taxation, the small size of the firms, poor demographics, high unemployment, and continued weakness in the credit market activity.

These factors affect the FDI, positioning Italy at the 20th place in the global ranking for total inbound foreign investments in 2013 (Unctad, *ibid.*) and at the 26th for easiness to conduct business in the Bloomberg ranking.

The attractiveness of Italy for FDI is very low: as shown by the E&Y Investment Monitor<sup>24</sup> in figure 2.8, Italy is among the European countries with the least number of FDI projects, despite the geographic locations and the specialization of Italian firms.

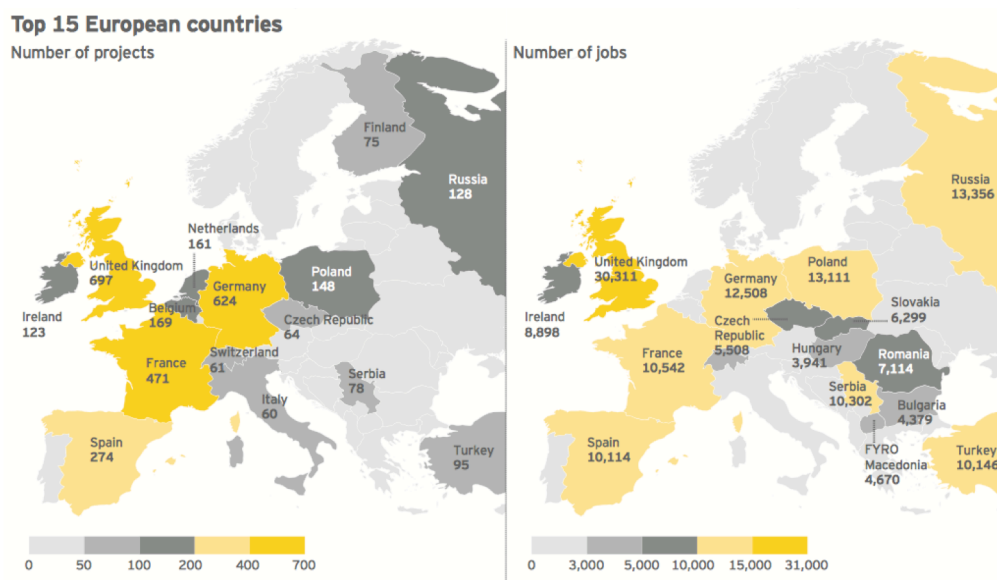
The data is confirmed also by other international indicators, such as the Doing Business indicator (World Bank 2014), positioning Italy at the 56° place on 189 total countries (Germany 21°, France 38°, Spain 52°, UK 10°) and the World Economic Forum 2013, where Italy is 49th on 148 countries.

The picture that appears is that Italy attracts less foreign investments compared to countries that are similar for level of development.

Even if the sources are different, all the data confirms that the ratio between the inbound FDI and the GDP for Italy is 15,2%, almost one third of the European average, half of that one for Developed countries and lower compared to Spain, French, Germany and UK (Giovannetti, 2014).

To understand the reasons and the possible improvements to change the low attractiveness of Italy, we will first present the situation in Italy by regions, then the factors that affect the attractiveness.

(Figure 2.8) FDI attractiveness of European Countries



Source: Ernst & Young's European Investment Monitor, 2013

<sup>24</sup> <http://www.eyeim.com/press.htm> [access 24/05/15]

Focusing on Italy, we can see from figure 2.8 how varied is the FDI's distribution among Italian provinces and how it only partly corresponds to the economic relevance of the province. The FDIs are concentrated in the Centre-North of Italy, with Lombardia, Lazio and Piedmont as the top three target regions. The top six regions make up 90% of the total FDI, with a ratio FDI/GDP of 24%, as Germany.

The heterogenous presence of the foreign investment in the regions can be explained by the different elements that make some provinces more attractive than others.

According to Bentivogli *et al.* (*ibid.*) there are three features of a territory that attract investments: market factors, context factors and firm's idiosyncratic factors.

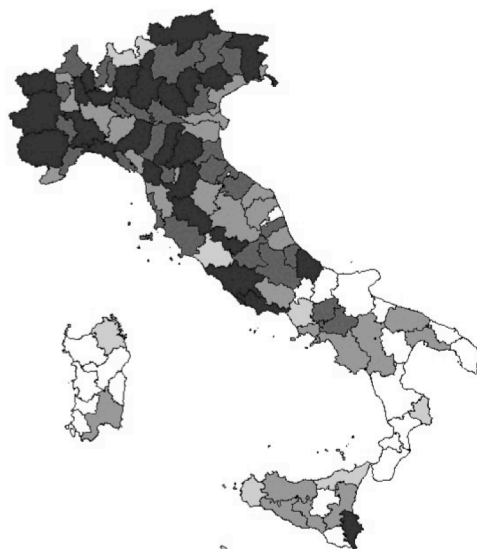
**Market factors** concern the dimension of the market, the cost and the endowment of inputs, the presence of industrial districts, fiscal and incentive treatments.

**Context factors** regard the quality of institutions, the social environment and regulamentation. In more detail, the efficiency of local amministrations, the corruption, quality of life and the justice efficiency.

The last point is about the **idiosyncratic factors** of the firm, such as the unique and strategic value that the acquired firm has for the foreign buyer.

*(Figure 2.8)* **Ratio FDI inwards- GDP by Italian by provinces**

Ratio between the average values of FDI 2007-12 and the 2010 GDP value



Source: Bentivogli, Cherubini, Iuzzolino, Bank of Italy elaboration, 2014

The difference in the attractiveness of the various provinces is not only determined by the market factors such as the presence of industrial districts and of skilled workers, but also by context factors and improving one has positive effects also for the others. Bentivogli *et al.*

studied which context factors positively impacted the FDI in the top Italian provinces, finding: the presence of large companies agglomeration, a work-force with high level of education, an efficient local administration and justice, an high social capital and an high social services offer.

### ***2.3.1 Obstacles and potential improvements***

Part of the obstacles to an higher attractivity are due to context variables and by improving them it improves also the inbound investments. As shown by figure 2.9 there is a strong and significant correlation between the FDI inbound and the doing business indicator, confirming the result of the surveys.

In particular the obstacles concern:

- the times for launching a business;
- the credit legal protection;
- the ease of enforcing contracts;
- the inefficiencies in solving commercial conflicts.

Italy's slow and inefficient civil-justice system is one of the biggest constraints on growth and investment. For example, enforcing a contract in Italy typically takes 1185 days, compared with a rich-country average of 540 (The Economist, 2015).

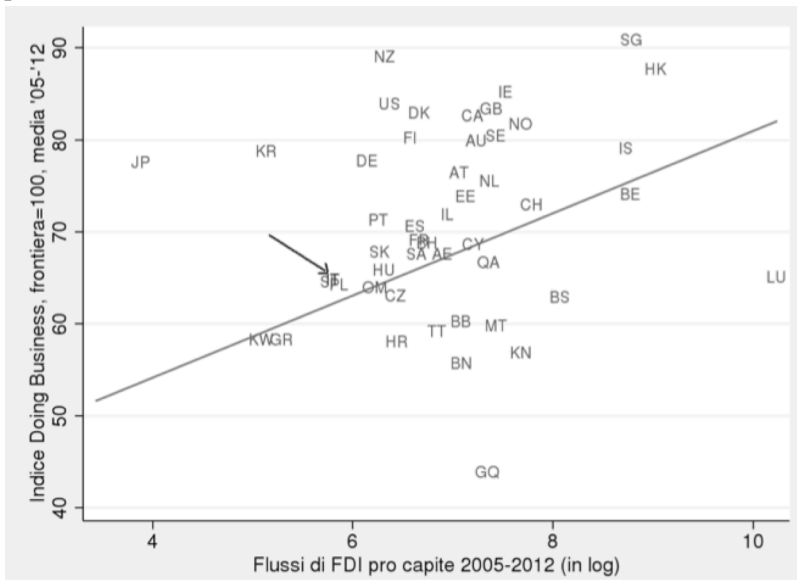
From the analysis we can see that in Italy there is large space for improvements, with many starting ideas for the local decision-makers. Summarizing some solutions identified by the analysts of the Bank of Italy for improving the attractiveness of Italy, we list:

- to consider local policies to favour the relation between domestic and multinational firms;
- to reduce the times and the costs of doing business (Borin et al., 2014);
- to pursue further economic integration;
- to improve the crucial areas for the attractiveness (justice, criminality, efficiency of the local services).

According to Borin *et al.* (2014), the quality of the institutions and the efficiency in solving legal disputes are among the most important determinants for the attractivity, much more than tax relief or financial assistance.

Moreover, a recent research by E&Y quotes other measures that can improve the attractiveness of the European countries (figure 2.10), focused mainly on the skills development and the business environment.

*(Figure 2.9) Correlation between Doing Business indicator and inbound FDI*  
For developed countries



Source: Unctad and World Bank, Bank of Italy elaboration, 2014



(Figure 2.10) Factors that influence the attractiveness of European Union

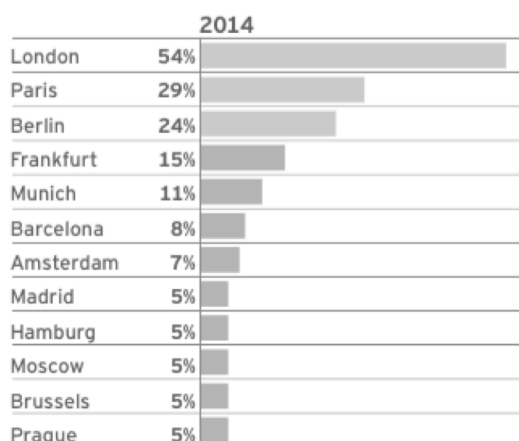


Source: Ernst& Young European attractiveness survey (total respondents: 808).

For the specifics of the North-East, there some factors not under the rule of national policy-makers that can be done for improving the attractiveness of the regions. According to Stefano Micelli (Fondazione Nord-Est, *ibid.*) there may be two areas of intervention: the creation of an ecosystem to sustain innovation and the development of metropolitan areas.

The first area concerns the diffusion of the broadband, the creation of financial structures with mixed private and public capital to support the corporate finance and the kick-off of course degrees focused on the top growth priorities in the territory. The second area proves the difficulties in the North-East to develop attractiveness because of the absence of metropolitan cities sought both by young professionals and foreign companies. As a matter of facts, many multinational and international institutions make their decisions weighting the benefits of a metropolitan organization of the territory. In figure 2.11 we report a survey run by E&Y on the attractiveness of cities in Europe for investments, naming London, Paris and Berlin as the top three and Milan is at the 14 place (4%).

(Figure 2.11) Most attractive European cities for investments



Source: Ernst& Young European attractiveness survey (total respondents: 808).

### 2.3.2 Features and effects of the FDI in Italy

It has been proved the positive impact of the foreign players in the Italian economy, by bringing additional capital and knowledge R&D, stimulating the competition and the presence of a “learning by supplying effect” for the Italian firms (Antonietti *et al*, 2014). A study of Mattevi (2014) confirms that the foreign multinationals significantly contribute to the principal economic aggregates (such as revenues, investments and exports) in Italy.

Analysizing the target Italian firms of the foreign investments (Mattevi, 2014), it is present a strong selection effect ex-ante: the performance of the target in the pre-acquisition period is better than the average. The acquisitions are more motivated by strong idiosyncratic reasons, explaining why the target firm are on average larger in terms of employees, revenues and productivity.

In conclusion Italy, and the North-East in particular, have a great potential for cross-border activities to exploit, but several measures should be taken to improve the firms’ internationalization and the attractiveness of the territory.

The small and medium size of the companies negatively impact the quality of the corporate governance and the financial structure, affecting the internationalization’s decision. The North-East firms prefer lighter form of entering a foreign market such as exports, but present an higher degree of internationalization compared to the other Italian regions, with more greenfield operations and relationships with foreign suppliers. The main obstacles are the lack of financial resources and the knowledge of the target country, in terms of the culture, language and local laws.

Italy scores poorly in the attractiveness of the territory because of the country risk and the cost of doing business. It is thus important to pursue national and local policies in order to improve the efficiency of the administration and the legal system rather than investing in tax relief for foreign companies.

# Empirical Analysis

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## **3.1 Methodology note**

The empirical analysis of this dissertation aims to study the cross-border M&A deals in the North-East of Italy from 2008 to 2014, seeking trends and patterns. In particular, for the first two top industries that Foreign buyers targeted, an in-depth analysis has been conducted to understand the motivations and the reasons behind each deal, searching secondary sources and the websites of the companies.

All the data about the M&A deals have been extracted from the Standard & Poor Capital IQ Database, that provides a wide range of financial information about the M&A transactions, industries, geography of the involved entities and companies' financials<sup>25</sup>. The data extraction took place the 29/01/2015, searching for the merger and acquisition deals from 01/01/2008 to 31/12/2014 based on the date of closed transaction.

The data mining has been done in two separate researches: the first one consisted in all the deals where Italian firms have performed the role of the acquirer, within Italy and abroad (so called "*Italian buyers*"). Viceverse, the second research pertained to all the deals that had as target an Italian firm, acquired either by an Italian or foreign company (so called "*Italian targets*"). Because of the criteria of the data mining, we proceeded to separate the domestic transactions (Italy-Italy) from the cross-border ones.

S&P Capital IQ database assigns the cross-border feature "when there is information of an investment wherein the buyer headquarters and target are based in different countries; when the fund is investing in a transaction, Cross Border is assigned only if the sponsor of the fund is in a different country from the Target" (Capital IQ website).

Following the definition provided in the section 1.3, the total inbound deals for all Italy in the period considered are 1127 for a total transaction value of USD\$ 114 billions (but only 40% of the transactions discloses the values). The total outbound deals present in the database are

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<sup>25</sup> <https://www.capitaliq.com/home/about-us/press-releases/standard-poor's-acquires-clarifi™-portfolio-analytics-added-to-capital-iq.aspx>, [access 10/01/15]

719 for all Italy, for a total transaction value of USD\$ 58 billions (42% of the transactions discloses the values).

All the deals provide the geographic location of the acquirer and of the target, so it was possible to segment the analysis by regions and to select the regions of interest. In this dissertation the focus is on the North-East regions of Italy, that comprise Emilia-Romagna, Friuli-Venezia Giulia, Trentino-Alto Adige and Veneto, as described in chapter 2.

In the period 2008-2014, in the North-East regions 216 outbound deals were registered for a total transaction value of USD \$3,5 billions (40% of the transactions discloses the values), and there 298 inbound deals for total transaction value of USD \$20 billions (37% of the transactions displays the values).

### ***3.1.1 Information available***

The data provided by the database S&P Capital IQ, involved:

- Announced and closed date of the transaction;
- Target and Buyer companies;
- Total transaction Value (in euro and USD dollar currency);
- M&A features (domestic, cross-border);
- Geographic location buyer and target;
- Total consideration to shareholders;
- Percent sought;
- Transaction comments;
- Implied Enterprise Value;
- Implied Equity Value;
- Business description;
- Primary industry target and buyer (according to the Global Industry Classification Standard, GICS)
- Last twelve month (LTM) financial data for the buyer and acquirer at announcement (Revenues, EBITDA, Net Income);
- Target Security type;

Due to missing information, in particular of the target and acquirer's financial data, in some cases the sample size was reduced even further. When the size of the sample might be relevant for the conclusions, the percentage of the data availability is pointed out. In all the other cases, percentages are calculated netting the not availability of data.

For the data collection it has been consulted also the database **AIDA**, which gathers the economic, financial and commercial data of all the companies operating in Italy with at least

€100.000 of revenues. From the AIDA Bureau Van Dijk database it was obtained the value of the revenues of the Italian targets and acquirers in order to understand the size effect in the cross-border acquisitions.

The adopted approach delves into the various categories, aiming to bring forward possible clusters and trends. Therefore after an initial analysis of trends and composition of the M&A market in Italy and in the North-East, the cross border deals have been divided in inbound and outbound deals, by type of buyer, by geographic location and by industry.

Moreover, it has been conducted a cherrypick research on the web in order to deeply understand the motivations behind the deals in the industries with a growing share of inbound transactions (in the Appendix). The goal of this additional analysis is to understand which and why Foreign buyers target the North-East firms and where North-East firms acquire abroad.

Each of 47 deals in the industrial machinery industry and 16 in the Apparel and Luxury industry have been looked up online (mainly financial newspapers and company website) in order to find additional information that could provide thoughtful insight on the reasons behind the value creation that led to the cross- border M&A operations.

In conclusion, data processing has led us to the drawing of a series of tables and graphs that were instrumental to the study of cross-border deals, thus making it possible to detect the trend and some characteristics of the companies that pursue cross-border acquisitions.

### ***3.1.2 Mismatch of Domestic Deals***

To compare the share of cross-border deals with the domestic ones, we sorted out the domestic deals. Nonetheless, from the two separate data mining researches (“Italian target’s deals” and “Italian buyer’s deals”), it was not obtained an unique and common number of domestic deals (Figure 3.1)

(Figure 3.1) Set of deals by type from the data mining pre merger

ITALIAN TARGET 3892 deals		ITALIAN BUYER 3375 deals	
DOMESTIC Deals not in common 692 deals	DOMESTIC Deals in common 2075 deals	DOMESTIC Deals not in common 581 deals	OUTBOUND 719 deals
INBOUND 1125 deals	Italian + Foreign Buyer 55 deals		

As we can see from picture 3.1 there were some deals deemed domestic but not in common in both extractions. In the 55 deals that target an Italian firm, there are both Italian and Foreign acquirers, making tricky the classification “cross-border” or “domestic”.

As a matter of facts, in the “Italian Targets’ deals” extraction those deals are considered cross-border and contrarily in the “Italian Buyers’ deal” extraction.

With the intent to figure out the actual number of domestic deals for each Italian region, we proceed to merge the domestic deals and to crossing out the double deals (Figure 3.2).

(Figure 3.2) Set of deals by type from the data mining after merger

ITALIAN TARGET 3892 deals		ITALIAN BUYER 3375 deals	
	DOMESTIC Deals in common 3348 deals		OUTBOUND 719 deals
INBOUND 1125 deals	Italian + Foreign Buyer 55 deals		

Comparing the number of deals present in the Capital IQ database with other database, such as Zephyr or KPMG database, the volumes don’t always match. This may be caused by different selection criteria (deals under a certain transaction amount might be excluded) or by

different data-entry criteria. In both scenarios the selection criteria were not publicly available so it was not possible to make a reliable comparison.

### **3.2 The M&A Market in Italy**

In this first paragraph it is pointed out the composition of the M&A Italian Market and its recent trend, paying particular attention to the cross-border deals.

The volume of the overall M&A transactions shows a declining trend over the years, going from 866 deals in 2008 to 639 deals in 2014 (-26%).

In the Italian M&A market, the domestic deals have on average a predominant role (figure 3.3): in the considered time frame 65% of the deals are closed by domestic buyers. Since 2012 although, the share of the domestic deals decreased by 7% in favour of cross-border deals, in particular inbound (their share grew by 9% from 2012 to 2014). The growing quota of cross-border deals over the years may set the future path for the M&A activities in Italy, indicating the growing interests of Foreign Buyers for the country.

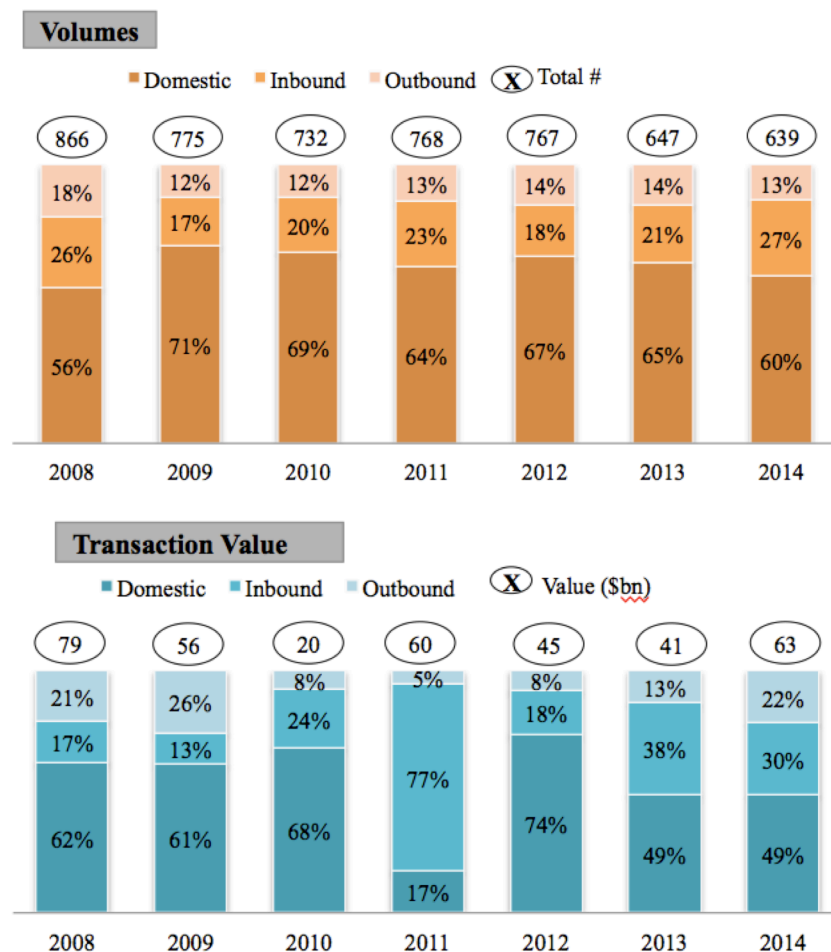
As for the outbound deals, their share has been stable at 13%, with a 1% decline in 2014 compared to the year before. The comparatively low quota of outbound deals is caused by different factors: besides the problems linked to the Italian National economic system and to the size of the firms, Italian companies are competing with extra-European operators that have a higher financial liquidity (AIFI, "Directory M&A 2014"). The American and Asian competitors have a large availability of liquidity that allows them to apply higher multiples in the acquisitions. On the opposite, for Italian firms the access to credit is problematic (even if in general the good industrial projects manage to obtain the necessary financial resources), resulting in a more capital openness to the stock markets or other recent instruments of corporate finance (i.e. private debt and mini bond).

Even if 2014 has seen a more stable political and economic climate in Italy, the overall context presents a low growth rate and poor expected improvements. For the Italian firms the internationalization strategy has become an opportunity and a need in order to survive and tackle the markets with a growing demand.



(Figure 3.3) Italian Market M&A by direction

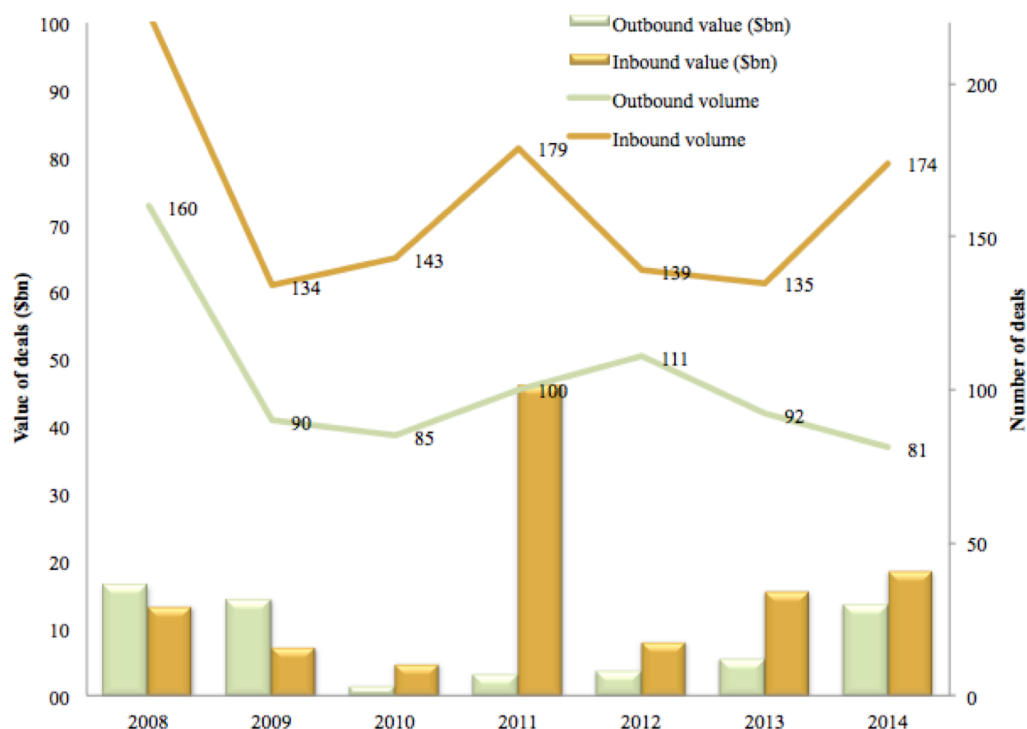
Volume and transaction value\* breakdown



\*The transaction values have been disclosed for the 40% of the inbound deals, 39% of the domestic ones and 42% of the outbound deals

The aggregate transaction values of the M&A deals confirm the increasing presence of foreign investors, willing to pay higher multiples for the Italian companies. In 2008 and 2009 the inbound transaction values weighted for 17% and 13% of the total respectively, while in 2014 their share raised to 30%.

(Figure 3.4) **Cross Border M&As in the Italian Market**  
 Volumes and Transaction Value



The analysis of the cross border M&A activity provides interesting insight about the openness of the Italian economy compared to the rest of the world and a proxy of the firms' internationalization.

As shown in figure 3.4 the Italian cross border M&A market is dominated by the inbound deals, counting for 61% of the total deals in the timespan 2008-2014 (719 outbound deals vs 1127 inbound). In 2014 the gap between outbound and inbound deals widened even further, with the number of the inbound deals doubling the outbound ones. In 2014 the inbound deals flowered (+29% compared to 2013), overcoming the foreign investors' skepticism about Italian Market, quite affected by the country risk (such as political instability, bureaucracy, uncertainties about justice and tax laws). The increase is attributable to a renewed confidence in the Italian market, to the large capital availability of Developed and Emerging Economies and to the strategic interest of foreign companies in the Italian ones.

The plunge in the number of cross-border deals in the years 2009-2010 is the consequence of the financial crisis depressive effects on the M&A activities: the volume of cross-border deals declined by 42% from 2008 to 2009. Since then, the volume of outbound operations didn't go back to the pre-crisis levels: as a matter of fact, the number of acquisitions made by Italian firms oscillated around 100 deals per year, dropping to 81 deals in 2014.

With the warning that less than 50% of the deals disclose the transaction value, it is interesting to highlight the increasing trend of the transaction value for the outbound deals in the years 2012-14. In particular, in 2014 Enel Energy Europe Srl acquired Endesa Latinoamerica S.A. and 20% of Enersis S.A. (both based in Chile) for USD\$ 11 bn. Also in the gas industry there has been a major acquisition by Snam Rete Gas Spa which bought Trans Austria Gasleitung GmbH for USD\$1 bn. Besides the most famous companies, there are medium enterprises, leaders in their sectors that are accelerating the internationalization process via M&A (such as Coesia and IMA).

Regarding the transaction value of the inbound deals, the peak in 2011 (reaching USD\$ 42,2 bn) was largely due to the foreign acquisitions of Wind Telecom Spa, Parmalat SpA, Bulgari Spa, Gruppo Coin Spa and Ansaldo Energia Spa. The sum of these acquisitions (USD\$ 23,7bn) makes up for 56% of 2011 total transaction value.

### ***3.2.1 Top countries for inbound and outbound deals in Italy***

Looking at the top foreign countries of the firms that are involved in cross-border M&A deals with Italy (table 3.1), we can notice the bidirectionality of the flow of investments. The four top countries where Italian firms perform CB M&A activities are the same ones that acquire Italian firms (United States, France, Germany, United Kingdom). The developed countries are more active than the Emerging ones: in the top list only India and China make their appearance with a 3% share of the inbound deals.

By comparing the world top investors of FDI (chapter 1) with the acquirers in Italy, we can notice the absence of the Far East countries such as Japan, China and Hong Kong and the predominance of European investors.

The same goes the world top recipients and the Italian outbound operations: Italy performed cross-border acquisitions above all in European countries, with the exception of the United States and Brazil and less in the Far East (China, Hong Kong, and Russia).

*(Table 3.1) Top countries for inbound and outbound deals in Italy*

Total number of deals in brackets, period 2008-2014

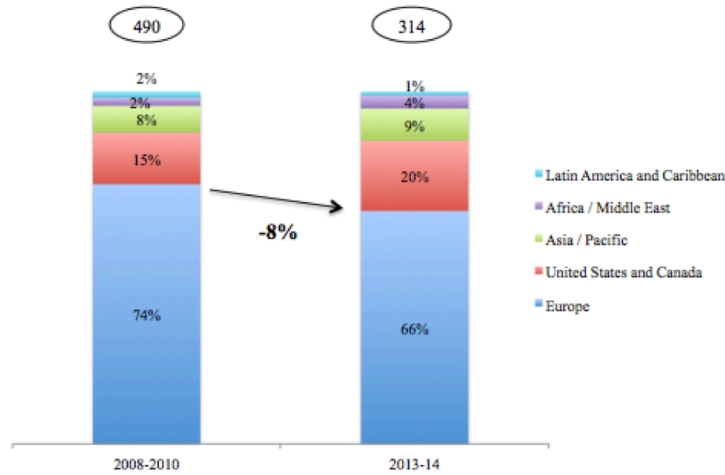
<b>INBOUND (1125) →</b>		<b>OUTBOUND (719) →</b>
United States (168) 15%		United States (87) 12%
France (130) 12%		France (78) 11%
Germany (110) 10%		Germany (70) 10%
United Kingdom (110) 10%		United Kingdom (59) 8%
Switzerland (68) 6%		Spain (58) 8%
Luxembourg (46) 4%	<b>ITALY</b>	Brazil (30) 4%
Netherlands (41) 4%		Netherlands (22) 3%
Austria (41) 3%		Switzerland (21) 3%
Spain (27) 2%		Turkey (19) 3%
India (23) 2%		China (18) 3%
Sweden (23) 2%		India (18) 3%
Japan (20) 2%		Sweden (18) 3%
Denmark (17) 2%		Belgium (17) 2%
China (15) 1%		Romania (14) 2%
Russia (15) 1%		Russia (13) 2%

Across time the geographic regions of the foreign buyers has changed significantly (figure 3.5): from 2008-10 to 2013-2014, European investors reduced their share in Italy by 8% (from 74% to 66%) along with the total number of deals by 22% (from 263 deals in 2008-2010 to 207 deals in the lastest period). The gap was taken by the USA and Canada that, with a growing share of 5% are targeting the Industrial Machinery industry (21% of US deals in 2014), Electrical Components and Equipment (5%) and Healthcare Equipment (3%).

US companies are interested in having a toehold in the European markets, mainly by acquiring companies in the same sector. Some factors that may justify the preponderant presence of the United States in the M&A market can be found in its developed financial and capital markets, the activism of Private Equity funds and financial investors and in the high concentration of large companies (KPMG 2012 Report M&A).

Also countries from the Middle East and Asian-Pacific area increased their outbound share in Italy, growing by two percentage points. Their interest lies as well in the industrial machinery industry (17% of the 2014 deals), commodities chemical (8%) and in the Fashion industry (4%).

*(Figure 3.5) Evolution of Foreign buyers' geographic area*  
 Number of inbound deals, in the circle total number of deals

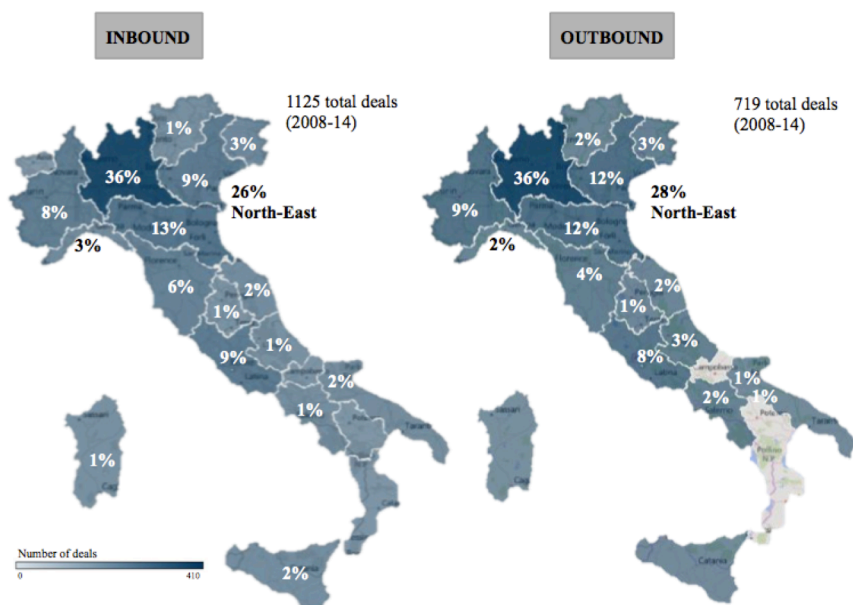


### 3.2.2 Cross-border operations by regions

Figure 3.6 shows the total number of cross-border deals in the time timeframe 2008-14 split by regions, in order to understand the areas most affected by cross-border M&A. As expected, the top performing regions are those with the larger number of active firms and the higher contribution to the national GDP. Lombardy is the region with the highest share of cross-border deals (36%), followed by Emilia-Romagna (13% inbound, 12% outbound) and Veneto (9% inbound, 12% outbound). Piedmont and Lazio come next with 8% share each while the south of Italy and the islands show a percentage share lesser than 1% per region.

(Figure 3.6) Volume of Cross-Border deals by regions

Share of deals, period 2008-2014



Analysizing the trend across the 2008-2014 timespan, for the inbound deals the attractiveness of the Italian regions haven't change significantly: Lombardy, Veneto, Tuscany and Emilia have increased their share by 1%, at the expense of Piedmont (-2%) and Friuli-Venezia Giulia.

On the other hand, for the outbound deals the share of Lombardy has increased significantly (+7%), Veneto reduced 2%, as well Lazio -3%.

(Table 3.2) Volume of Cross-Border deals by Italian regions across time

	INBOUND		OUTBOUND	
	2008-2010	2012-2014	2008-2010	2012-2014
<b>Total # deals</b>	500	448	335	283
<b>Share for the N.E.</b>	<b>26%</b>	<b>27%</b>	<b>29%</b>	<b>29%</b>
Abruzzo	1%	1%	4%	3%
Campania	2%	2%	2%	2%
Emilia-Romagna	13%	14%	11%	13%
Friuli-Venezia Giulia	4%	2%	4%	3%
Lazio	9%	9%	8%	5%
Liguria	4%	2%	1%	2%
Lombardy	36%	37%	36%	43%
Marche	1%	2%	1%	2%
Piedmont	9%	7%	10%	8%
Puglia	1%	2%	1%	0%
Sardinia	1%	2%	0%	0%
Sicily	2%	1%	1%	0%
Trentino-Alto Adige	1%	2%	1%	2%
Tuscany	6%	7%	4%	4%
Umbria	0%	1%	1%	0%
Veneto	8%	9%	13%	11%

### ***3.2.3 Target industries of cross-border M&A deals in Italy***

In reference to the industries, table 3.2 shows the industries that foreign buyers address in Italy and those ones that Italian companies address abroad.

As far as it concerns the inbound deals, the industries of most interest are the industrial machinery (10,9%), followed by the Apparel, Accessories and Luxury Goods (4,1%) and the Renewable Electricity (3,8%). Confirming a trend of the last years, the most desirable industries for foreign buyers are those most visible and competitive in the Italian country system and those in the advanced technologies field, like the industrial machinery's.

In particular, across the years the quota of the Apparel industry grew from 1% in 2009 to 7% in 2014, proving the value of Italian stronghold in the international markets. For example, the acquisition of a majority share in F.C. Internazionale SpA by International Sports Capital, investment vehicle of three Indonesian tycoons, the acquisition of Loro Piana SpA by LVMH S.A. and the acquisition of Pomellato SpA by the group Kering S.A.

The last two deals confirm the trend of the big international groups in the luxury industry that, thanks to their size, can leverage capabilities and promote the international expansion, both industrially and commercially.

For the outbound deals, the Italian firms acquired companies in the industrial machinery industry (7,9%), the Auto Parts and Equipment's (4,6%), Distributors' (2,9%) and Package Foods and Meats' industry (2,9%).

The deals realized by Italian firms abroad are market and technology seeking, aimed to exploit the demand from other less saturated geographic area or in strong growth and to leverage their capabilities with overseas firms. Significant for the point being, the mentioned acquisitions of 21 distributors by Italian acquirers.

*(Table 3.3) Top target industries in cross-border deals for Italy*

By number of deals, period 2008-2014

<b>INBOUND →</b>	<b>#</b>	<b>%</b>		<b>→ OUTBOUND</b>	<b>#</b>	<b>%</b>
<b>Total deals</b>	1127	-		<b>Total deals</b>	719	-
Industrial Machinery	123	10,9%		Industrial Machinery	57	7,9%
Apparel, Accessories and Luxury Goods	46	4,1%		Auto Parts and Equipment	33	4,6%
Renewable Electricity	43	3,8%		Distributors	21	2,9%
Real Estate Operating companies	36	3,4%		Packaged Foods and Meats	21	2,9%
Packaged Foods and Meats	32	3,2%		Pharmaceuticals	20	2,8%
Commodity Chemicals	29	2,8%	<b>ITALY</b>	Electronic Equipment and Instruments	16	2,2%
Healthcare Equipment	24	2,6%		Healthcare Equipment	16	2,2%
Internet software and Services	23	2,1%		Apparel, Accessories and Luxury Goods	15	2,1%
Building products	22	2,0%		Renewable Electricity	14	1,9%
Research and Consulting Services	22	2,0%		Construction and Engineering	13	1,8%



### **3.3 Cross-border operations in the North-East of Italy**

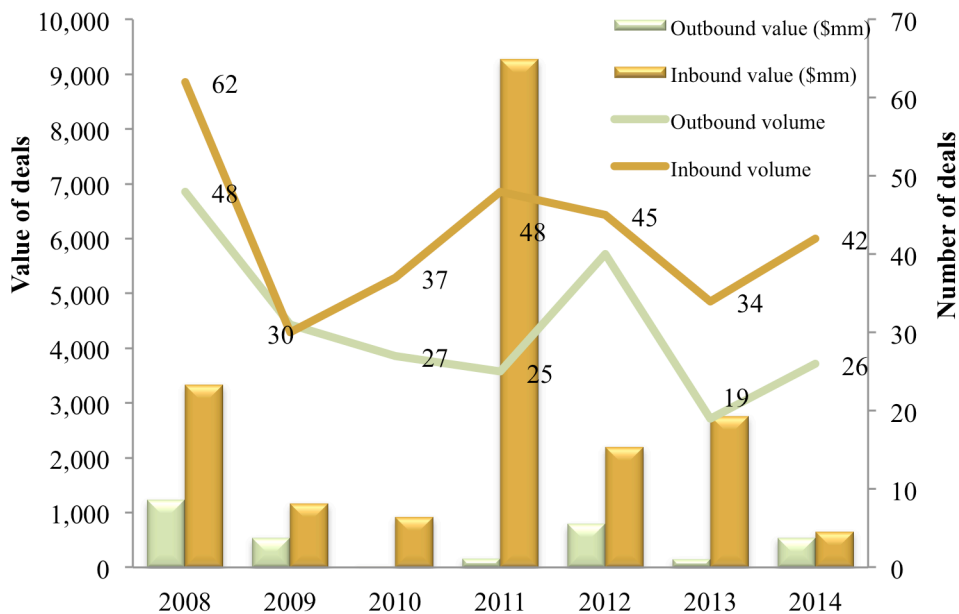
The focus of this dissertation is placed on the North-East regions for their high relevance in the cross-border M&A activity of Italy. If we take into consideration the overall cross-border deals in Italy (1846 total deals in 2008-14), 27% of them (501 deals in 2008-14) involved a North-East region.

In comparison to the other regions, the North-East ones are more buyers than sellers: in the last three years (2012-14), the area has been the target of about 27% of the total inbound deals (total 448), while it played the role of buyer in 29% of the outbound deals (total 283).

Looking at the trend of the cross-border M&A deals in the North-East (figure 3.8), we can see that the dynamics of inbound and outbound deals are strictly linked to each other, as opposed to Italy for the same graph. One possible explanation is that for the North-East the cross-border deals are more affected by macro-factors instead of firm-specific traits.

From 2008 to date, the North-East regions have shown a vast preponderance of inbound operations, with an average number of deals per year almost double (22,6 for outbound and 41,4 for inbound). Contrary to Italy's, in 2014 the number of outbound deals grew by 36%, indicating a quick upswing in the acquisition abroad, in particular in the industrial machinery (+50%) and in the diversified support services industries.

(Figure 3.7) **Cross-Border M&As in the North-East of Italy**  
 Volumes and Transaction Value\*



\* 40% of the outbound deals discloses the transaction value, 37% of the inbound deals

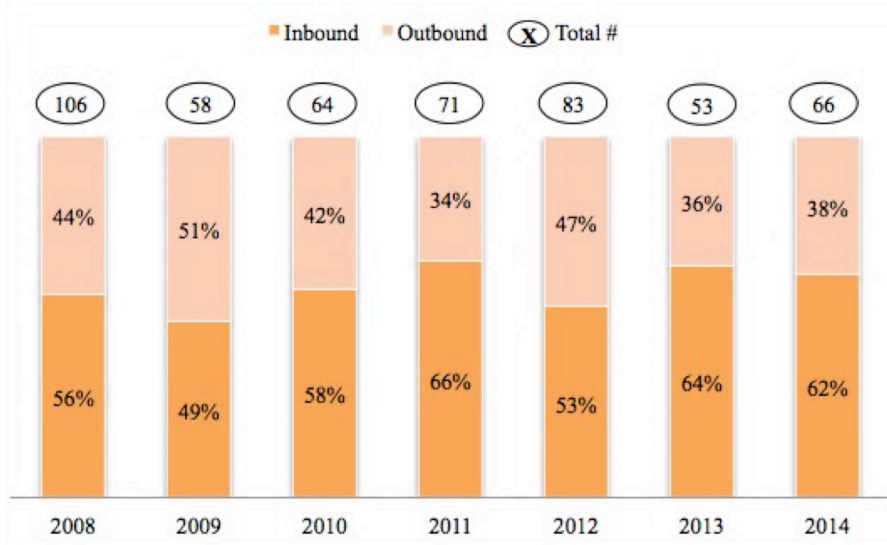
With the warning that only less than 37% of the deals discloses the transaction value, we can see the preponderance in terms of value of the inbound deals.

2011 is the year with the larger value of inbound acquisitions, some of these are: the already mentioned acquisition of Parmalat by Société pour le Financement de l'Industrie Laitière SAS and "Groupe Lactalis, (\$4,6 bn in total), the stake acquisition of Gruppo Coin by BC Partners (\$1,7 bn in total) and the acquisition of Permasteelisa SpA by the Hong Kongese LIXIL Corporation for \$630 ml.

Looking at the composition of the cross-border activity in the North-East (figure 3.9), it is confirmed the majority of the inbound deals for most of the period considered.

In 2014 the outbound deals grew by 2%, which represents the larger percentage share since 2011.

(Figure 3.8) **Cross-border deals in the North-East by direction**  
Breakdown number of deals



### 3.3.1 Top countries for cross-border deals in the North-East

Regarding the top countries the North-East of Italy is involved with (Table 3.3.), we can notice no significant differences from the Italian case. The United States still play a dominant role in the cross-border deals both inbound and outbound but with a higher share compare to the Italian case (17% vs 15% for the inbound). The other top countries the North-East has strong business relations with in terms of M&A deals are France (about 12,5% of the deals) and Germany (10,5%).

Most of the cross-border deals takes place in Europe confirming the integration of the markets and the easiness to conduct business also in terms of geographic and cultural reasons. Nonetheless if we see the evolution of the geographic regions of the Foreign Buyers (inbound) and Foreign Target (outbound) in figure 3.9 we can notice a change in the last two years. From 2008-10 to 2013-14 the cross-border acquisitions within Europe declined in favor of the American ones, with an increase of 28% for the inbound and an increase of 34% for the outbound deals. Contrarily to the dominant feeling that over the last years Chinese companies are performing a lot of acquisitions in Italy, the share of the Asian countries has reduced by 5 percentage points, representing 3% of the inbound deals in 2013-14. North-East firms are not targeting the developing and emerging countries with M&A operations, highlighting a delay in entry those markets or the preference of other entry modes, such as greenfield and exports.

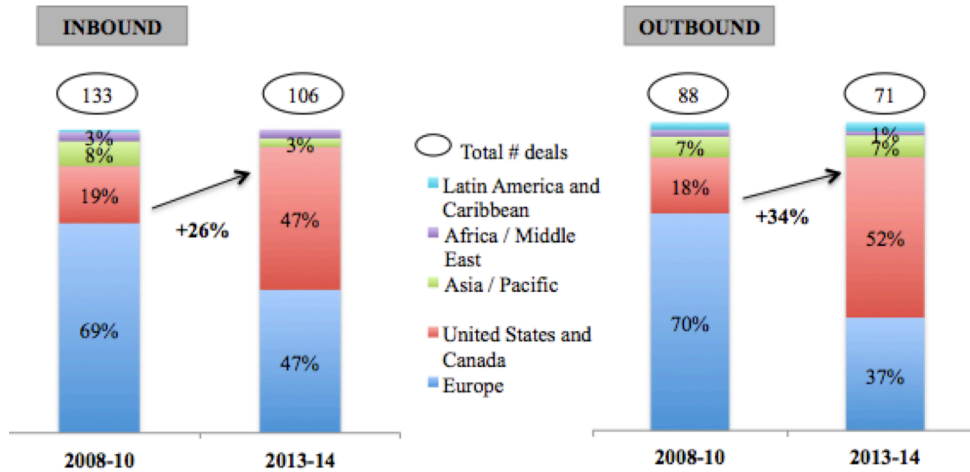
(Table 3.4) **Top countries for inbound and outbound deals in the North-East**

Total number of deals in brackets, period 2008-2014

<b>INBOUND (298) →</b>	<b>NORTH-EAST ITALY</b>	<b>OUTBOUND (216) →</b>
United States (51) 17%		United States (31) 14%
France (36) 12%		France (29) 13%
Germany (32) 11%		Germany (21) 10%
Switzerland (23) 8%		Spain (10) 5%
United Kingdom (21) 7%		United Kingdom (10) 5%
Austria (14) 5%		Netherlands (8) 4%
Netherlands (9) 3%		Switzerland (8) 4%
Sweden (9) 3%		Brazil (7) 3%
Luxembourg (7) 2%		Belgium (7) 3%
Denmark (5) 2%		China (6) 3%
Japan (5) 2%		India (5) 2%
Finland (5) 2%		Sweden (5) 2%
Russia (4) 2%		Japan (4) 2%
South Korea (4) 1%		Slovenia (4) 2%
Turkey (4) 1%		Turkey (4) 2%

(Figure 3.9) **Evolution of geographic area for inbound and outbound deals**

North-East regions



### ***3.3.2 Top target industries of cross-border deals***

The picture of the industries' analysis for the North-East of Italy slightly differs from the Italian one (table 3.5). For the inbound deals the top two target industries remain the Industrial Machinery with 15,8% share of the total and the "Apparel Retail and Luxury Goods" with a share of 4,7%. Nonetheless, the third and fourth target industry changed to the "Building Products" (14 deals) and to the "Packaged Foods and Beverage" (13 deals). For the outbound deals, North-East firms acquired mainly in the Industrial Machinery industry (26 deals), the Electronic Equipment and Instruments (11 deals) and the Packaged Foods and Beverage (11 deals). In the table is also reported the share of deals closed in the North-East compared to Italy, split by industries, stressing the predominance of the North-East in specific fields. The industries in which the North-East share is higher than 50% are for the inbound: Building Products (64%), Home furnishing (67%) and for the outbound: Electronic Equipment (69%) and Textiles (58%). The level of innovation in the North-East firms is higher compared to the other Italian regions, this is also confirmed by the number of cross-border deals that target high-technology industries such as the Electronic Equipment and Instruments.

(Table 3.5) **Top target industries in cross-border deals for the North-East**

By number of deals, period 2008-2014

<b>INBOUND →</b>	<b>#</b>	<b>%</b>	<b>% N.E.<sup>1</sup></b>		<b>→ OUTBOUND</b>	<b>#</b>	<b>%</b>	<b>% N.E.<sup>2</sup></b>
<b>Total deals</b>	298	-	26%	<b>North -East</b>	<b>Total deals</b>	205	-	29%
Industrial Machinery	47	15,8%	38%		Industrial Machinery	26	12,7%	46%
Apparel, Accessories and Luxury Goods	14	4,7%	30%		Electronic Equipment and Instruments	11	5,4%	69%
Building products	14	4,7%	64%		Packaged Foods and Meats	11	5,4%	52%
Packaged Foods and Meats	13	4,4%	41%		Auto Parts and Equipment	8	3,9%	24%
Healthcare Equipment	11	3,7%	46%		Apparel Retail	7	3,4%	100%
Renewable Electricity	10	3,4%	23%		Diversified Support Services	7	3,4%	64%
Home Furnishing	8	2,7%	67%		Textiles	7	2,9%	58%
Commodity Chemicals	7	2,3%	24%		Electrical Components and Equipment	6	2,4%	60%
Application Software	6	2,0%	33%		Distributors	5	2,4%	24%
Research and Consulting Services	6	2,0%	27%		Pharmaceuticals	5	2,4%	25%

<sup>1</sup> Share of deals that target the North-East regions (# deals in N.E. regions/ # deals in Italy)

<sup>2</sup> Share of deals of North-East acquirers (# deals N.E. buyer/# deals Italian buyers).

We will deal with the first two top industries in chapter 4, while in this section we will briefly analyse the remaining industries.

For the building product industry, the buyers are strategic and coming from heterogeneous home countries (Bulgaria, France, Germany, Japan, Russia, Sweden, Switzerland, Turkey). Most acquisitions are horizontal for market consolidation of the big players, such as the 2014 acquisition of Apros srl by the French group Joncoux, both manufacturers of exhaust pipes<sup>26</sup>. For the Package foods and Meats industry, the majority of the buyers are strategic (10 deals out of 13) and coming from France (6 deals) and Switzerland (2 deals). Some of the North-East firms are sold for strengthening the financial position and expanding internationally. For example Nuova Castelli, a Parmesean cheese producer, was acquired by the Private Equity Charterhouse Capital Partners in 2014, for enhancing the production and the exports through

<sup>26</sup>[http://rassegna-stampa.veneziepost.it/stories/economia/37670\\_la\\_veneta\\_apros\\_canne\\_fumarie\\_viene\\_acquisita\\_dal\\_gruppo\\_joncoux/#.VSqp4lx\\_W5I](http://rassegna-stampa.veneziepost.it/stories/economia/37670_la_veneta_apros_canne_fumarie_viene_acquisita_dal_gruppo_joncoux/#.VSqp4lx_W5I), [access 02/04/15]

an integrated distribution chain in France, Great Britain, Russia and Germany. Also MEC3 Optima Srl, leader in the production of ingredients for the ice-cream, was acquired in 2014 by another private equity fund, the American Riverside fund for supporting the existing management to exploit the worldwide growing demand for ice-cream and for investments in R&D<sup>27</sup>.

As far as the outbound acquisitions, the deals in the Electronic Equipment and Instruments were mainly carried out by three North-East firms in the automation industry: FAAC Spa, Nice SpA and Came Spa, in a wave of expansion through cross-border acquisitions. The strategy of FAAC Spa<sup>28</sup> is to enter complementary markets in order to grow in not-traditional sectors such as the automatic parking systems and to expand geographically. The expansion in high-growth markets (like Brazil) and the broadening of the product range is the base of Nice SpA with the acquisition of the German Elero in 2011 and the Brazilian Peccinin in 2013.

Unlike the Italian level, there have been less deals in the “Auto Parts and equipment” and “Distributor” industries, that for the North-East fall at the fourth and fifth place.

In order to understand how the attractiveness of the North-East industries has changed since 2008, we calculated the percentage of the deals carried out by Foreign buyers on the total deals that target a North-East region (Table 3.5) with the formula:

$$\% = \frac{\text{Inbound deals}}{\text{Tot deals Target N.E firms}}$$

This analysis allows to understand which industries of the North-East of Italy have attracted more foreign investors, both strategic and financial.

As we can see from table 3.6, there have been an increasing trend of foreign acquisitions in the Industrial Machinery industry, going from 35,7% in 2008 to 58,3% in 2014. Also for the Apparel Industry the share of the foreign buyers is significant: in the last 4 years more than half of the deals were done by foreign buyers. The increase is motivated by several factors, such as the geographic synergies with a cross-border partner, the acquisition of technology and know-how, and profitable investment opportunities. In order to understand the actual motivations behind the deals in these two industries, a more detailed analysis of the deals is provided in chapter 4.

Other industries in which foreign buyers invested more are the Building products, the Healthcare Equipment and the Home Furnishing.

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<sup>27</sup> <http://www.corriereromagna.it/news/rimini/2207/--Dopo-30-anni-.html> [access 15/02/15]

<sup>28</sup> <http://www.mistertecno.com/?p=373> [access 15/02/15]

There are some other industries (i.e. Household Appliance, Healthcare supplies) where the totality the M&As were done by foreign buyers. Since the number of cross border deals is very low (6 and 4 deals respectively in 6 years), it is more difficult to draw valid conclusions.

*(Table 3.6) Share of inbound cross-border deals by industry*

Share of foreign buyers on the total M&A deals, target North-East regions

	2008	2009	2010	2011	2012	2013	2014	Total
<b>Total # deals</b>	193	171	143	176	121	86	87	977
<b># CB deals</b>	62	30	37	48	45	34	42	298
<b>% CB deals</b>	32,1%	17,5%	25,9%	27,3%	37,2%	39,5%	48,3%	30,5%
Industrial Machinery	35,7%	43,8%	42,9%	50,0%	50,0%	50,0%	58,3%	47,0%
Apparel, Accessories and Luxury Goods	33,3%	0,0%	16,7%	50,0%	50,0%	80,0%	50,0%	37,8%
Building Products	80,0%	20,0%	66,7%	66,7%	-	100,0%	100,0%	63,6%
Packaged Foods and Meats	42,9%	0,0%	25,0%	22,2%	25,0%	33,3%	33,3%	26,0%
Healthcare Equipment	66,7%	0,0%	50,0%	25,0%	50,0%	75,0%	100,0%	55,0%
Renewable Electricity	0,0%	-	50,0%	66,7%	50,0%	75,0%	50,0%	50,0%
Home Furnishings	50,0%	40,0%	100,0%	50,0%	-	-	66,7%	57,1%
Commodity Chemicals	0,0%	100,0%	25,0%	-	50,0%	66,7%	100,0%	41,2%
Application Software	33,3%	0,0%	0,0%	50,0%	25,0%	-	100,0%	33,3%
Research and Consulting Services	100,0%	0,0%	0,0%	-	100,0%	100,0%	100,0%	75,0%
Household Appliances	100,0%	100,0%	100,0%	-	100,0%	-	0,0%	85,7%
Real Estate Operating Companies	50%	25,0%	0,0%	14,3%	0,0%	100,0%	0,0%	18,8%
Construction and Engineering	50,0%	0,0%	0,0%	20,0%	0,0%	33,3%	50,0%	17,2%
Auto Parts and Equipment	42,9%	0,0%	33,3%	0,0%	100,0%	0,0%	-	29,4%
Diversified Metals and Mining	100,0%	-	0,0%	-	100,0%	100,0%	100,0%	80,0%
Healthcare Supplies	100,0%	-	100,0%	100,0%	-	-	-	100,0%
Metal and Glass Containers	40,0%	0,0%	-	50,0%	50,0%	0,0%	0,0%	28,6%
Motorcycle Manufacturers	100,0%	-	-	-	100,0%	-	-	100,0%
Semiconductors	25,0%	-	50,0%	100,0%	100,0%	-	-	50,0%



By applying the same procedure to the outbound deals it has been calculated the share of cross-border deals performed by North-East buyers:

$$\% = \frac{\text{Outbound deals}}{\text{Tot deals performed by N.E firms}}$$

The main point of this analysis is to understand in which industries the North-East companies acquire abroad rather than domestically and how it has changed over time.

From Table 3.7, we can notice that in some industries there is a higher incidence of cross-border acquisitions and that in some industries all the M&A deals were transnational. For example, in the Textile industry 70% of M&A deals were carried out abroad, 75% for the Electronical Equipment's and 71% in Pharmaceutical's. It is the sign that well structure and cutting-edge firms acquired abroad to have a toehold in overseas markets and to expand their facilities.

In the last three years there have been a blossom in the cross-border deals of the Packaged Foods industry: with the acquisitions of Zanetti Beverage Group in Singapore and Brazil, and those ones of Granarolo SpA in France.

*(Table 3.7) Share of outbound deals by industry across time*

Share of cross-border deals on the total deals by the North-East buyers

	2008	2009	2010	2011	2012	2013	2014	Total
<b>Total # deals</b>	175	182	153	144	130	69	72	925
<b># CB deals</b>	44	28	27	23	39	19	25	205
<b>% CB deals</b>	25%	15%	18%	16%	30%	28%	35%	22%
Industrial Machinery	35%	20%	30%	29%	50%	25%	67%	35%
Electronic Equipment and Instruments	40%	-	-	100%	75%	-	100%	69%
Packaged Foods and Meats	0%	0%	67%	0%	50%	71%	60%	30%
Auto Parts and Equipment	33%	33%	67%	100%	33%	0%	-	44%
Apparel Retail	100%	20%	14%	0%	50%	0%	100%	29%
Diversified Support Services	100%	0%	25%	25%	0%	-	100%	32%
Textiles	50%	-	100%	-	50%	100%	50%	70%
Electrical Components and Equipment	100%	100%	0%	100%	100%	-	-	75%
Distributors	67%	9%	0%	0%	50%	-	-	19%
Diversified Metals and Mining	67%	50%	-	0%	-	100%	-	50%
Pharmaceuticals	0%	100%	50%	100%	100%	-	100%	71%
Real Estate Operating Companies	25%	0%	0%	0%	50%	100%	0%	14%

Technology Hardware, Storage and Peripherals	-	-	100%	100%	100%	-	0%	83%
Trading Companies and Distributors	100%	-	33%	0%	-	100%	33%	50%
Apparel, Accessories and Luxury Goods	20%	25%	33%	50%	0%	0%	0%	20%
Application Software	20%	29%	-	0%	0%	0%	100%	25%
Electronic Components	100%	0%	100%	100%	100%	-	-	80%

### 3.3.3 Type of buyers in the North-East of Italy

The distinction between financial and strategic buyers is paramount, as outlined in chapter 1, and it reflects the different purposes of the investments and strategies. In order to deep into the details and the motivations behind the cross-border operations in the North-East of Italy, figure 3.10 shows the composition of strategic and financial investors over the years for inbound and outbound deals.

For the inbound acquisition, 77% of the deals (time frame 2008-14) are performed by strategic investors, pointing out the industrial nature of the investments that are part of a medium-long term internationalization strategy.

Since 2008 the share of foreign strategic investors has been over 75% till 2013, when acquisitions done by financial investors started having increasing quota. As a matter of facts, the change in the last years is more due to a reduction in the number of the strategic deals rather than an increase in the number of deals with a financial nature. In the last three years (2012-14) the investments executed by financial investors increased by one deal per year, starting off with 9 deals in 2012.

Less significant is the buyer's composition for outbound deals: in the recent years almost all the North-East firms that acquired companies abroad have a strategic nature.

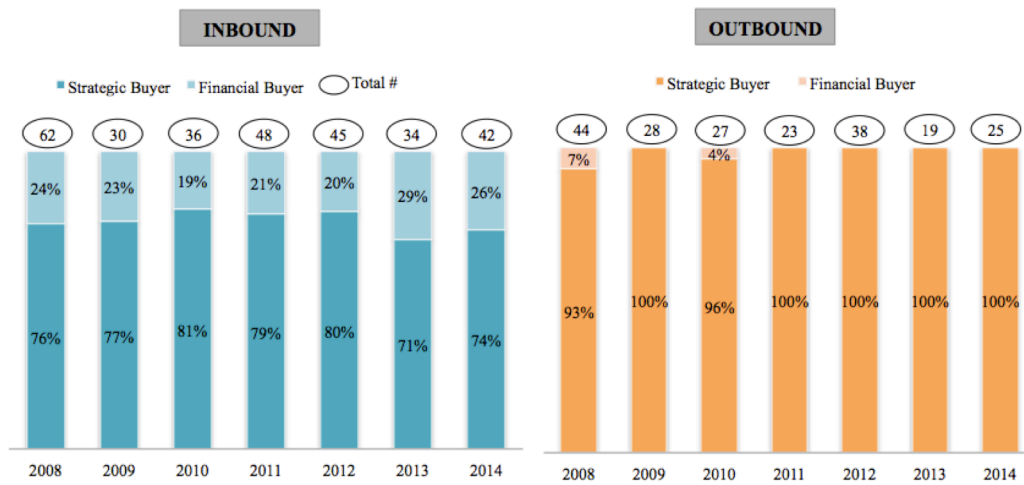
Only in 2008 and 2010 there have been respectively 3 and 1 deals pulled off by financial investors.

One of them is the acquisition of Winmarkt in 2008 for €192 ml by "IGD SIIQ Spa", a real estate company that develops and manages shopping centre in Italy.

Even though the deal is classified as financial, the acquisition has a strategic nature: Winmarkt controls a real estate portfolio of 15 shopping centers in 14 different cities in Romania, a market with attractive consumers trend and interesting potential returns<sup>29</sup>.

<sup>29</sup> [http://en.wikipedia.org/wiki/IGD\\_-\\_Immobiliare\\_Grande\\_Distribuzione\\_SIIQ\\_SPA](http://en.wikipedia.org/wiki/IGD_-_Immobiliare_Grande_Distribuzione_SIIQ_SPA), [access 02/04/15]

(Figure 3.10) Deals by buyer type in the North-East  
Period 2008-2014



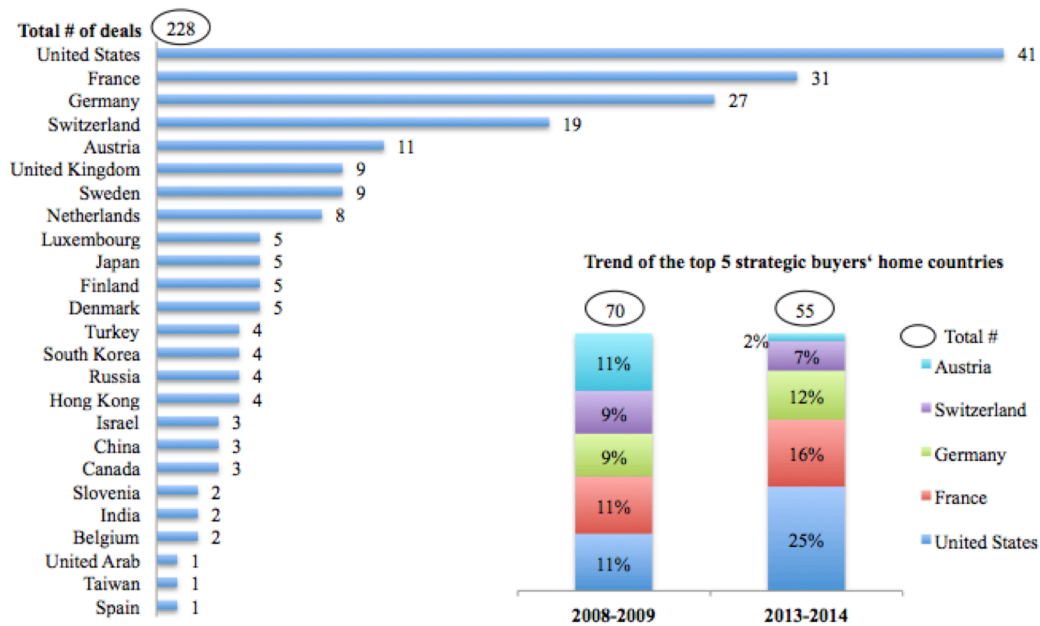
In the following paragraphs we will go into details of inbound deals first and then outbound, looking for the geographic locations and the industries of interest. The aim is to seek relevant trends and the key motivations behind the deals.

### 3.3.4 Foreign Strategic Buyers in the North-East

With 228 deals in the timeframe 2008-14 (77%), the strategic buyers are the main investors acquiring North-East firms. Foreign investors are mostly interested in the high-technology level and in complementary products offered by North-East firms.

(Figure 3.11) Home countries of strategic buyers

Top countries by number of deals, period 2008-2014



Looking at the home country of the foreign strategic buyers that have performed M&A operations in the North-East (Figure 3.11), we notice a large presence of American (41 deals), French (31 deals) and German buyers (27 deals). Those developed countries seek the advanced technologies and the know-how offered by the North-East firms. Over the years the United States have increase their share of deals (+14% from 2008-09 to 2013-14), as well as France and Germany (+5% and +3% respectively). On the other hand Switzerland and Austria have reduced their share by 2% and 9%.

While over the years the developed countries have continuously performed M&A operations in the North East (in 2013-14, 53% of the deals were closed by the top 3 countries), the Emerging countries are increasingly approaching the North-East Market.

(Table 3.8) Strategic buyers from Emerging countries

Number of deals, period 2008-2014

	2008	2009	2010	2011	2012	2013	2014	Total
<b>China</b>		1	1		2			3
<b>Hong Kong</b>				1	1	1	1	4
<b>Russia</b>	2	1				1		4
<b>South Korea</b>			1	1	1		1	4
<b>Turkey</b>				1	1	2		4
<b>Japan</b>		1	1	2		1		5

For example (Table 3.8), China has bought controlling interests in firms mainly in the Industrial Machinery and Automobile and Machinery industries, while Hong Kong in the Construction and Engineering industry and in the Commodity Chemical's. As Chinese and South Korean firms are increasingly targeting the North-East, Russian companies are less active. The decrease of Russian cross-border operations occurred in all Italian regions, not just in the North-East. One explanation can be due to the Ukrainian conflict: Russian firms are affected by the political tensions between Europe and Russia, with a consequent fines and rubles depreciation, making the acquisitions more costly.

The economic fabric of the North-East of Italy presents a competitive productive system at an international level and a strong industry specialization<sup>30</sup>, thus favoring the international investments. Strategic buyers perform cross-border deals in Emilia-Romagna and Veneto (in 2014 80% of deals) and the trend has been stable over the last three years.

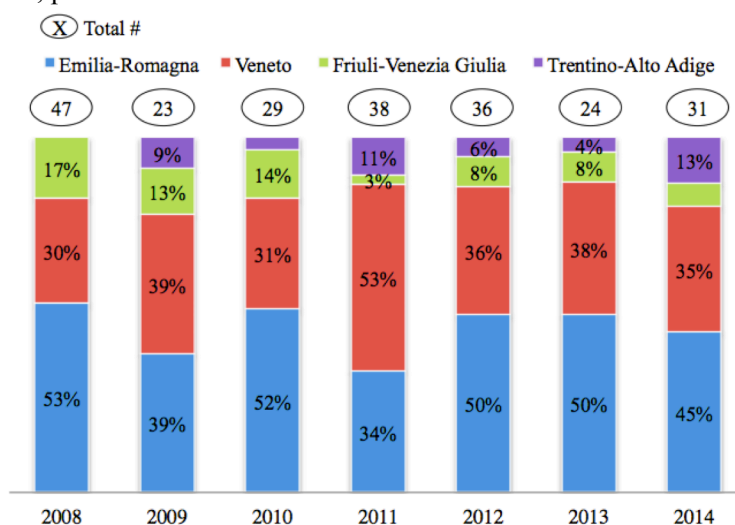
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[http://www.investinemiliaromagna.it/wcm/investiner/notizie/notizie2008/agosto/guida\\_investitore.htm](http://www.investinemiliaromagna.it/wcm/investiner/notizie/notizie2008/agosto/guida_investitore.htm) [access 15/04/15]

(Figure 3.12) Target regions for strategic investors across years

Number of deals, period 2008-2014



The top industries where foreign strategic buyers acquire are the Industrial Machinery's (18% of the total), Building Products' (5%) and Package Foods' (4%). Since 2012 it is registered a growth of cross-border acquisitions in the Renewable Electricity (5 deals) and commodity chemicals (4 deals).

For the Building products' industry, many foreign buyers aim to consolidate their position in the European market and seek distribution synergies. For example, the Joncoux Group, already strong in four domestic markets (France, Benelux, Germany, Poland), acquired a majority stake in APROS srl in 2014 to consolidate its position as one of the major European manufacturers of metal chimneys<sup>31</sup>.

The challenges presented by the globalization of the economy request new approaches and strategies to grow further. The ceramic manufactur "Ceramica Rondine", for example, agreed to sell a 50% stake to the Turkish Seramiksán in 2013 in order to achieve distribution synergies and new opportunities in international markets<sup>32</sup>.

<sup>31</sup> <http://www.avvalor.it/en/avvalor-and-mba-capital-assist-joncoux-group-in-italys-apros-acquisition/> [access 15/05/15]

<sup>32</sup> <http://www.ceramicarondine.it/it/news-media/Rondine-Group-Seramiksán/> [access 15/05/15]

(Table 3.9) Top target industries for foreign strategic investors

Number of deals, period 2008-2014

	2008	2009	2010	2011	2012	2013	2014	Total	%
<b>Total</b>	47	23	29	38	36	24	31	228	-
Industrial Machinery	4	6	6	10	6	5	5	42	18%
Building Products	4		1	4		2	1	12	5%
Packaged Foods and Meats	6		1	2	1			10	4%
Renewable Electricity			1	2	1	3	1	8	4%
Commodity Chemicals		2	1		1	2	1	7	3%
Healthcare Equipment	1		1	1		1	3	7	3%
Research and Consulting Services	2				1	1	2	6	3%
Application Software	1			1	1		2	5	2%
Auto Parts and Equipment	3		1		1			5	2%
Construction and Engineering	2			1		1	1	5	2%
Home Furnishings	1	1		1			2	5	2%
Apparel, Accessories and Luxury Goods			1	2	1			4	2%
Healthcare Supplies	2		1	1				4	2%
Household Appliances		2	1		1			4	2%
Semiconductors	1		1	1	1			4	2%
Advertising	1	1	1					3	1%

The foreign strategic investors that acquire North-East firms are much larger than their target: in 2014 the average revenues for the acquired North-East firm was \$64,5 ml, while for the foreign investor was \$7319 ml (about 113 times larger).

The revenues of the acquired North-East firms range from \$22 ml to \$417 ml, with some peaks, for the example Parmalat in the Packaged Foods and Meats industry.

The large size of the acquirer relatively to the target reinforces the idea that these acquisitions are motivated by expanding the market presence (and benefitting from economies of scale) and the expansion of market offering.

(Table 3.10) **Revenues size<sup>1</sup> of the involved companies**

Average Revenues per year by top industries; \$USD ml, historical rate

<b>North-East Target</b>	<b>Total</b>	<b>% data disclosed<sup>2</sup></b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>Total</b>
Total	228	85%	249,0	34,8	22,7	417,1	70,5	71,6	64,5	161,5
Industrial Machinery	42	88%	57,3	26	17,8	31,9	32,4	15,6	28,1	28,3
Building Products	12	83%	40,1		16,3	365,8		45,3	14,1	166,4
Packaged Foods and Meats	10	100%	1352		10,3	6117	65,6			2042,6
Renewable Electricity	8	75%			11,8	0,5	4,7	2,4		4
Commodity Chemicals	7	86%		44,5	7,5		14,6	18,6	222	54,3
Healthcare Equipment	7	71%	0,2		6,7	15,2			10,7	8,7

<b>Foreign Strategic Buyer</b>	<b>Total</b>	<b>% data disclosed</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>Total</b>
Total	228	31%	10011	65670	2343	4787	24670	3051	7319	9897,7
Industrial Machinery	42	24%		1570	2300	6581	3112	9049		4703,5
Building Products	12	33%	36647			3074				19860,2
Packaged Foods and Meats	10	40%	13610				2902			10932,3
Renewable Electricity	8	50%				17		1432	2411	1323,2
Commodity Chemicals	7	29%			6276			2937		4606,7
Healthcare Equipment	7	14%						238		238,1

<sup>1</sup> Avg revenues per year

<sup>2</sup> The data have been integrated with the AIDA database

### 3.3.5 Foreign Financial Buyers in the North-East

The North-East of Italy has always been the area of Italy where Private Equity investors focused their attention. It is the area where the skills and the potential of small (sometimes micro) - medium firms meet the financial resources of Private Equity funds.

In the sample considered (timespan 2008-14), 33% of the foreign financial investors have targeted a North-East Italian firm (following Lombardy and Piedmont), with a decreasing trend in the last two years (32% in 2013 and 23% in 2014). The North-East family businesses are an hotbed of talented and creative entrepreneurs with winning intuitions but with intrinsic weaknesses that were revealed during the international economic crisis.

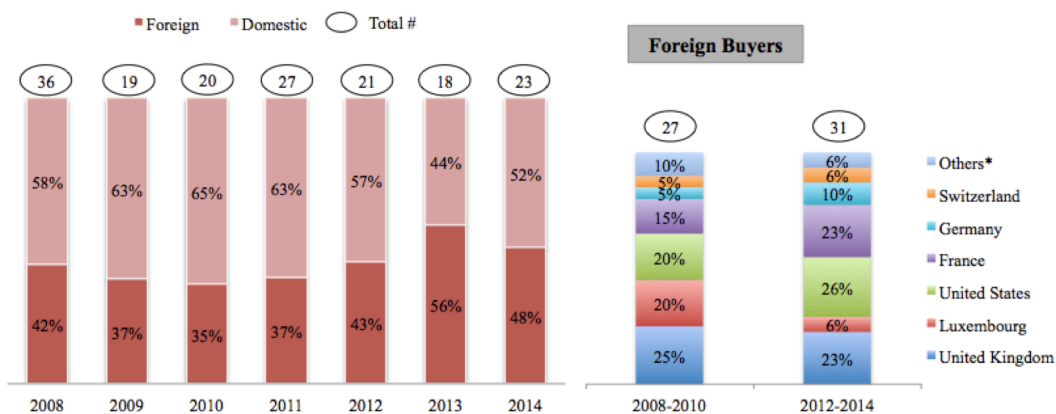


As illustrated in chapter 2, the family-business model is the logical result of historical reasons but has to change and improve if it aims to cope with the global context of increasing international competition and the progressive removal of geographical barriers. An help in this can come from Private Equity investors, in particular Foreign, that can provide the knowledge and the connections to the new geographic market besides financial resources.

From 2008 to 2014 there have been 164 operations realized by financial buyers in the North-East regions with an increasing share of investors coming from abroad (figure 3.13). The share of foreign financial buyers was averaging 38% of the total till 2011, while in the last 3 years it increased peaking in 2013 with 10 closed deals, (56% of the total financial buyers).

The home country of the foreign financial buyers are above all United Kingdom (18 deals), France (15 deals), United States (12 deals) and Luxembourg (6 deals), even though across the years there have been some changes in the composition. In 2008-2010 the number of deals of private equity funds headquartered in Luxembourg were 20% of the total, declining their presence in the North-East of Italy in the period 2012-2014, representing only 6% of the foreign financial investors. The share of Luxembourg has been retrieved by the United States and France that are getting more interested in the North-East firms.

(Figure 3.13) **Evolution of the geographic location of financial buyers**  
Number of deals and provenience of Foreign Buyers

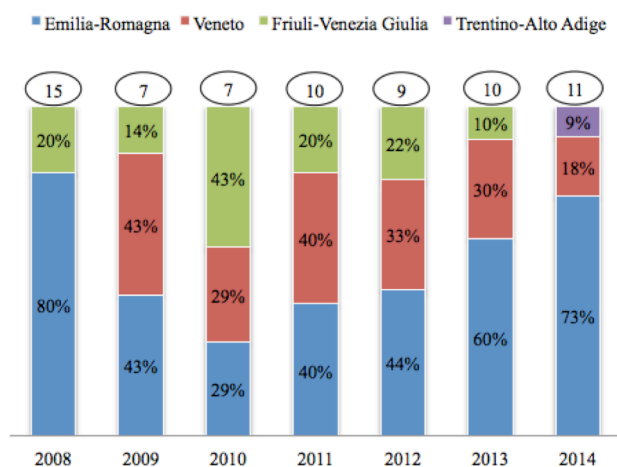


\* "Others" include: Belgium, Spain, Netherlands and Austria

The most target North-East regions are Emilia-Romagna and Veneto, where almost 90% of the total deals are addressed to (Figure 3.14). Since 2010 the share of Emilia-Romagna increased reaching 73% in 2014 with 8 deals. The reasons of the last three years increment in Emilia-Romagna are acribable to the acquisitions in the Apparel and in the Package Foods and Meats industries.

(Figure 3.14) Target regions for foreign financial investors

Number of deals, period 2008-2014



In industry terms, in the North-East foreign financial investors largely targeted the Apparel industry with 10 deals (14,5% share), the Industrial Machinery (5 deals, 7,2%) and the Real Estate Operating companies (Table 3.11).

Since 2012 the fashion industry has a growing trend of acquisitions by financial buyers, targeting in particular the North-East: as a matter of facts, 50% of the total acquisitions performed by financial buyers in this industry is carried out in North-East of Italy. For these reasons the Apparel industry will be examined in depth in the chapter 4.

(Table 3.11) **Top target industries for foreign financial investors**

Number of deals, period 2008-2014

	2008	2009	2010	2011	2012	2013	2014	Total	%
<b>Total</b>	<b>15</b>	<b>7</b>	<b>7</b>	<b>10</b>	<b>9</b>	<b>10</b>	<b>11</b>	<b>69</b>	<b>-</b>
Apparel, Accessories and Luxury Goods	3				2	4	1	10	14,5%
Industrial Machinery	1	1		1			2	5	7,2%
Real Estate Operating Companies	1	2		1		1		5	7,2%
Healthcare Equipment	1				1	2		4	5,8%
Airport Services		1		1	1			3	4,3%
Apparel Retail				2				3	4,3%
Home Furnishings		1	2					3	4,3%
Motorcycle Manufacturers	3							3	4,3%
Packaged Foods and Meats						1	2	3	4,3%
Textiles			1		1		1	3	4,3%
Building Products		1	1					2	2,9%
Catalog Retail	1		1					2	2,9%
Renewable Electricity			1				1	2	2,9%
Application Software	1							1	1,4%

Even if the North-East is the target area for one third of foreign private equity investments, the potential of the small and medium enterprises seems to be still underdeveloped compared to its potentialities (Furlan, Report Finlife, 2013<sup>33</sup>).

In context dominated by a banking system credit crunch and the need for resources to favour growth and competitiveness, the private equity may become an ideal solution. In particular foreign private equity funds can leverage their knowledge and capabilities in home market to speed up the process of internationalization. According to Furlan, (*ibid.*) in the last years private equity funds have change their strategy: from a short-term focus purely speculative to a more industrial approach and oriented to the creation of value in the medium-long term. The renewed availability of private equity funds to invest in SME has to face the adverse mentality and culture of SME entrepreneurs, often adverse to private equity funds and to the tools of extraordinary finance.

<sup>33</sup> [http://www.finlife-cf.it/wp-content/uploads/2013/06/pe\\_nordest12\\_20131.pdf](http://www.finlife-cf.it/wp-content/uploads/2013/06/pe_nordest12_20131.pdf), [access 20/04/15]

As described in Chapter 2, in the North-East regions is still predominant the family business model, where the dominant figure of the entrepreneur-founder centralizes the decision making power, often mixing corporate and personal interests. Thus the small and medium enterprises should better understand and seize the opportunities offered by private equity funds, in order to enter international markets with efficiency and a new managerial culture.

By looking at the average revenues of the North-East target for financial investors, we can see that foreign financial investors target larger companies than foreign strategic buyers. In 2014 the total average revenues of the target (\$97,6 ml) was 1,5 times larger than the same data for strategic buyer (\$64,5 ml). The same pattern can be also found in the industrial machinery's industry: the total average revenues for the target is \$240,2 ml versus a value of \$28,3 ml for the strategic acquirers (8,5 times larger).

*(Table 3.12) North-East target's revenues<sup>1</sup>*

Average Revenues per year by top industries; \$USD ml, historical rate

North-East target	Total	% data disclosed <sup>2</sup>	2008	2009	2010	2011	2012	2013	2014	Total
Total	69	78%	319,9	572,7	1011	836,4	1476	98,6	97,6	586,2
Apparel, Accessories and Luxury Goods	10	100%	29,2				140,1	82,6	157,9	85,6
Industrial Machinery	5	100%	35,8	750,5		326,9			43,8	240,2
Real Estate Operating Companies	5	0%	-	-		-		-		-
Healthcare Equipment	4	100%	133,0				111,7	122,4		122,4
Airport Services	3	100%				2,1	464,8			155,6
Apparel Retail	3	67%				2284				2284
Home Furnishings	3	100%		7,1	36					26,3
Motorcycle Manufacturers	3	100%	737							737
Packaged Foods and Meats	3	67%						128,7	399,5	264,1

<sup>1</sup> Avg revenues per year

<sup>2</sup> The data have been integrated with the AIDA database

### 3.3.6 Outbound deals for North-East firms

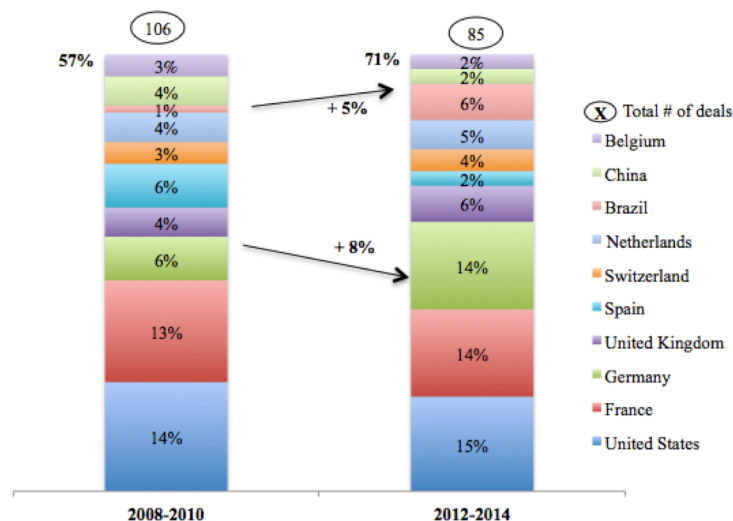
As seen in Figure 3.10, the international buyers of the North-East are for the vast majority strategic ones. This is due also to the low number of private equity funds headquartered in the North-East regions. Moreover, private equity funds such as 21 Investments (Treviso) by Benetton Family, Alcedo SGR (Treviso), Gradiente SGR and NEM SGR (Vicenza), concentrate their investments more in the Italian mid-size Market.

The preference of North-East SME to enter foreign markets with lighter form of investments (such as exports) and by greenfield operations has affected both the number of cross border M&A deals and the decision of the target countries. Many firms have delocalized their production in East European countries because of cheaper labor cost and closeness to the home headquarters.

Cross-border M&A operations remain a prerogative of medium-large North-East firms (more than 50 employees) and already present internationally.

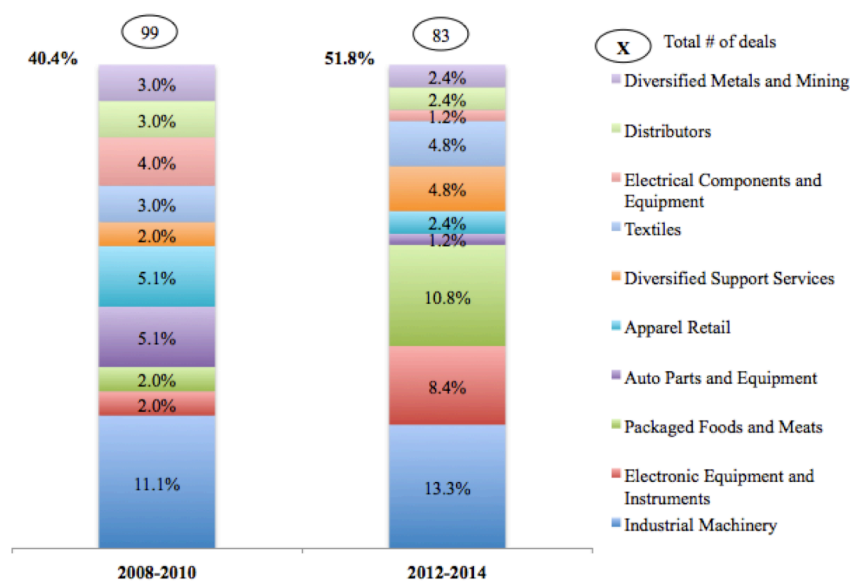
The target countries of North-East buyers are mainly United States, France and Germany (figure 3.15), rather stable over the years except for Germany where the number of acquisitions grew by 8%. The number of deals declined by 2% towards Spain and China from 2008-10 to 2012-14, while the deals in Brazil increased by 5%.

(Figure 3.15) **Top 10 target countries for North-East buyers across time**  
Number of deals, period 2008-2014



As far as it concerns the target industries (Figure 3.16), from 2008 to 2014 the North-East buyers increasingly performed deals in the Industrial Machinery (+2,2%), in Electronic Equipment (+6,4%), in the Package Foods and Meats (+8,4%) and in the Diversified Support Services (+2,8%). Declining share for the Auto Parts and Equipment (-3,9%), Apparel Retail (-2,7%), Electrical Components and Equipment (-2,8%) and the Distributors (-0,6%).

(Figure 3.16) **Top 10 target industries for North-East buyers across time**  
Number of deals, period 2008-2014



The idea that only large Italian companies perform M&A operations abroad is confirmed by the size of the North-East acquirers measured by the revenues at announcement and the average number of employees (Table 3.13 and 3.14). The average revenues of the acquirer range from \$250 ml to \$722 ml from 2008 till 2014, with the disclosure of 78% of the data, well above the €50 ml threshold for defining a “medium enterprise”.

The average revenues vary greatly among the industries, with the Package Foods industry having the larger acquirers on average.

Among the big North-East companies that acquired companies abroad there are: Saint Gobain Vetri Spa, Cremonini Spa, Officine Danieli SpA, Benetton Group Spa, De Longhi Spa, Enia Spa, Safilo Group Spa. Most of the acquisitions done by these companies aims to implement growth strategies in countries with strong potential.

For example, the acquisition of Alver, one of Algeria’s leading glass packaging manufacturers by the the Saint-Gobain Group (2011) aims to exploit the potential for the filing of food jars

and beverage bottles<sup>34</sup>. Other acquisitions aim to strengthen the competitive position in foreign markets, such as the acquisition of Bagel Factory by Cremonini Group (2011) to enter in the food-distribution industry in the English railway station market<sup>35</sup>.

*(Table 3.13) Revenues size<sup>1</sup> of the North East acquirer*

Average revenues per year by top industries; \$USD ml, historical rate

North-East buyer	Total #	% data disclosed	2008	2009	2010	2011	2012	2013	2014	Total
<b>Total</b>	205	78%	448,3	249,6	311,9	722,2	670	663	354,7	480
Industrial Machinery	26	85%	368,7	41,8	85,5	403,5	1257	1706	58	569
Electronic Equipment and Instruments	11	100%	220			218,5	236		157,6	223
Packaged Foods and Meats	11	82%			6,5		4095	770,4	474,4	980
Auto Parts and Equipment	8	75%	198,7		29,7	370,5				200
Apparel Retail	7	71%	1680	4,4	71,5					859
Diversified Support Services	7	86%			227	3,5			164,9	148
Textiles	7	43%			715			715	714,8	715
Electrical Components and Equipment	6	100%	43,8	55,2			122			64

<sup>1</sup> Avg revenues per year

<sup>2</sup> The data have been integrated with the AIDA database

*(Table 3.14) Average number of employees across time*

	% <sup>1</sup>	2008	2009	2010	2011	2012	2013	2014
<b>North-East Buyer's</b>	84%	1221	956	875	1307	2158	1179	829
<b>Foreign Target<sup>2</sup></b>	46%	290	238	457	1536	197	280	228

<sup>1</sup>Percentage of data disclosed

A further confirmation about the size of the acquiring companies is given by the average number of employees. In the period considered the average number of employees of the target is 1218, much higher than the average number of employees in Italian firms (8,4 employees per firm<sup>36</sup>). Since 2012, the average number of the buyer's employees decreased, caused by the fewer deals closed by larger firms.

<sup>34</sup> <http://www.verallia.com/en/verallia-announces-the-acquisition-of-alver-in-algeria> [access 04/04/15]

<sup>35</sup> <http://www.alimentando.info/mercato/cremonini-acquisisce-la-catena-inglese-bagel-factory/> [access 04/04/15]

<sup>36</sup> <http://www.istat.it/it/archivio/140722>, [access 04/04/15]

For the Foreign target, the average number of employees is 2,6 times smaller than the buyer's, validating the theory that companies acquire smaller target and pointing out the need to be present in international markets with an already set-up and turnkey company.

Probably because of the low disclosure of data, the average of the multiples in the outbound deals done by North-East firms displays great variability (Table 3.15). The larger multiples in the period were registered in 2010 (2,7 for EV/SALES and 22,3 for EV/EBITDA). The main cause comes from the high-priced acquisition of the Indian provider of clinical engineering services "MNE Technologies Private Limited" by TBS Group SpA, a clinical engineering service provided for € 6,3 millions. The acquisition is part of the company's growth strategy to expand geographically and to widen the range of activities<sup>37</sup>, the multiples therefore take into consideration the higher development rates in the Indian and Asian markets compared to the European's.

(Table 3.15) Average multiples in outbound deals

	EV/SALES	EV/EBITDA
<b>2008</b>	0,8	14,4
<b>2009</b>	0,8	5,1
<b>2010</b>	2,7	22,3
<b>2011</b>	0,9	-
<b>2012</b>	1,3	8,6
<b>2013</b>	0,7	-
<b>2014</b>	1,1	8,0
<b>Total</b>	<b>1,1</b>	<b>9,8</b>
Data disclosed	13%	5%

In 2014, out of the 5 deals the disclose the multiples, the higher multiples referred to the acquisition of the remaining 40,67% stakes in Cornstone Therapeutics Inc by Chiesi Farmaceutici SpA (EV/Sales 1,98, EV/Ebitda 11,92). The motivation of the acquisition was to establish a full operative subsidiary in the biggest market of pharmaceutical products<sup>38</sup>.

<sup>37</sup> <http://www.italtbs.it/en/about-us/history.html>, [access 04/04/15]

<sup>38</sup> <http://www.chiesigroup.com/il-gruppo-chiesi-farmaceutici-s.p.a.-conferma-un-trend-di-crescita-e-investimenti-per-il-2014>, [access 20/03/15]



# Industries in-depth analysis

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In order to understand the reasons that drove the Cross-Border M&A deals in the North-East of Italy, in this chapter we analyse in-depth the deals performed in the Industrial Machinery's and in the Apparel and Fashion's industries. The focus on these two specific industries is due to the higher number of inbound deals and to the increasing number of foreign buyers compared to the domestic ones. To understand the motivations behind the increasing interest of foreign investors in these industries, we searched for information in 105 deals for the two industries, both inbound and outbound. All the articles and press releases can be found in the Appendix.

## **4.1 Inbound deals for Industrial Machinery**

With 47 deals from 2008 till 2014, the industrial machinery's is the top industry where foreign buyers invest in the North-East of Italy, and as well as in Italy.

The term "industrial machinery" comprises "Manufacturers of industrial machinery and industrial components; includes companies that manufacture presses, machine tools, compressors, pollution control equipment, elevators, escalators, insulators, pumps, roller bearings and other metal fabrications" (GICS, 2014<sup>39</sup>). The Industrial Machinery industry is affected by the demand for machineries and by technological innovation, both depending on the health of sectors such as agriculture, construction, manufacturing, oil and gas exploration and production, and power generation. Thus the need to acquire firms specialized in products with a strong innovative component.

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<sup>39</sup> Global Industry Classification Standard, from Capital IQ website

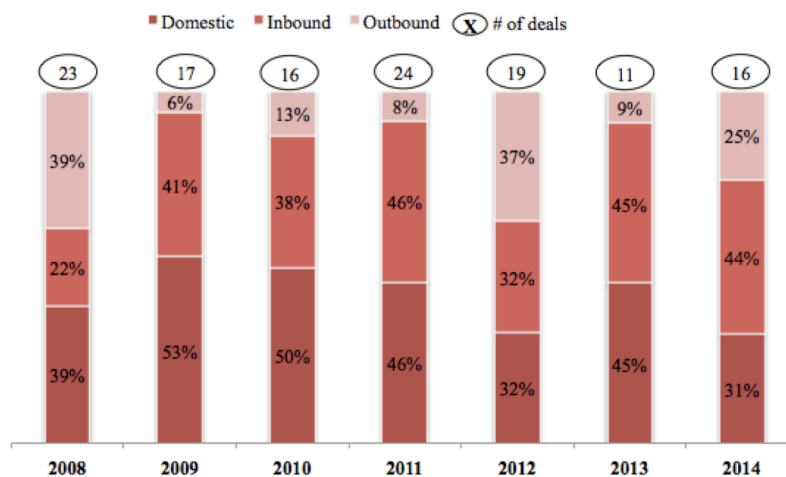
### 4.1.1 Trend overview

In 2014 the M&A deals in the industrial machinery presented an increasing trend, with 5 more deals compared to the year before but still distant from the number of deals in 2008 and 2011 (23 and 24 respectively). The domestic quota of M&A deals is reducing in favor of more inbound deals: if in the timeframe 2009-2011 half of deals were carried among Italian firms, in 2013-2014 45% of the deals were closed by foreign investors.

From the outbound side, the number of deals closed by North-East firms abroad has increased in the last year (+16% share, with +3 deals), representing a quarter of the total M&A transactions.

(Figure 4.1) Trend in the industrial machinery's industry

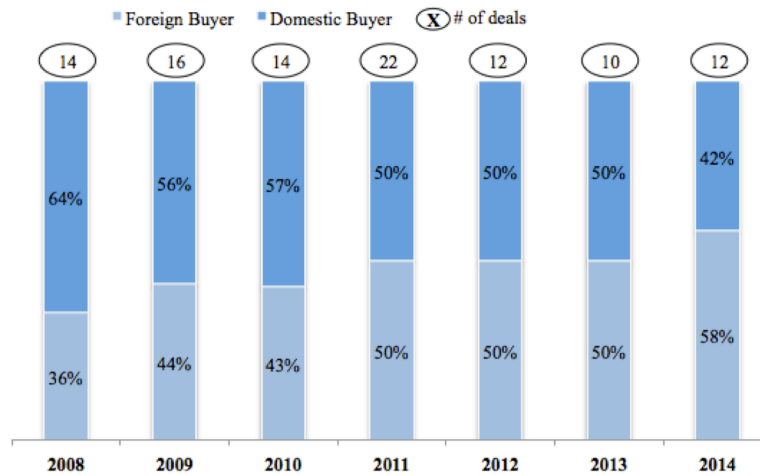
Number of M&A deals by type, North-East regions



As already mentioned in chapter 3, the number of deals done by foreign investors in the industrial machinery industry has progressively grown over the years (figure 4.2). The same trend can be found at the Italian level, with even more intensity, because the share of foreign investors in the industry machinery jumped from 52% to 70,6%.

(Figure 4.2) **Increasing share of foreign buyers**

Industrial machinery deals in the North-East of Italy by buyers' provenience

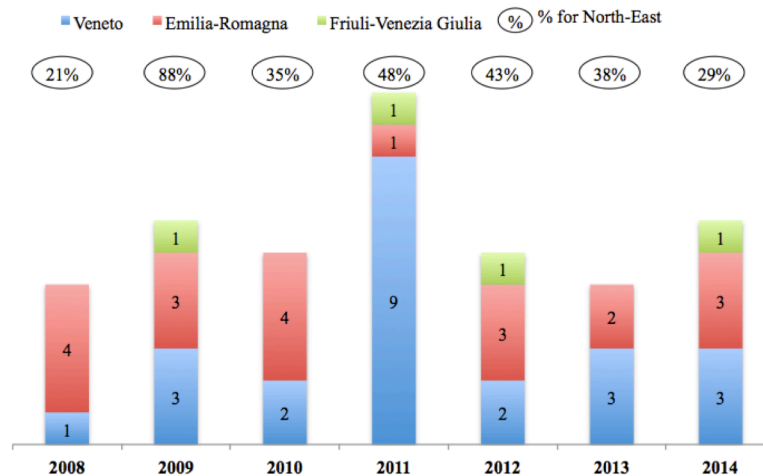


#### 4.1.2 Target regions

In the considered time frame, foreign investors in the industrial machinery industry targeted mainly Lombardy (43,9% of total deals), followed by Veneto (18,7%), and by Emilia Romagna (16,3%). The North-east area has been the target of 38,2% of the inbound deals (from 2008 to 2014) but with a decreasing trend (figure 4.3). As a matter of fact, since 2011 it was registered an increasing number of cross-border deals closed in Lombardy and in the region of Central-Italy to the detriment of the North-East.

(Figure 4.3) **Target North-East regions**

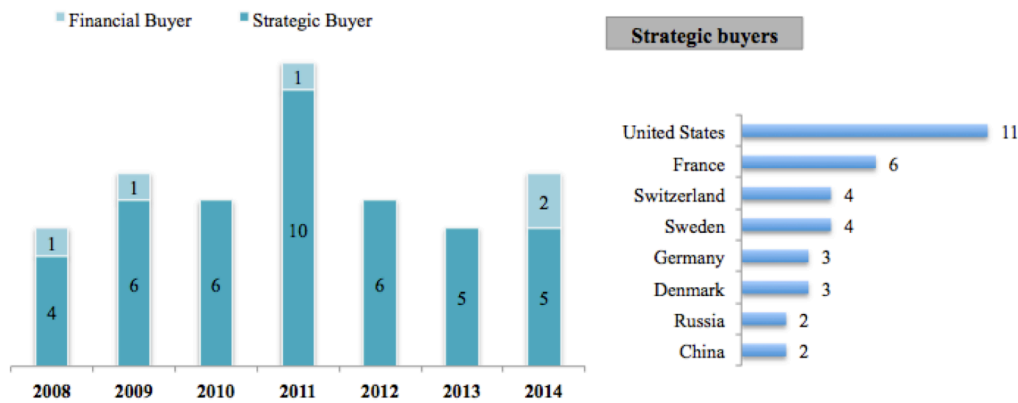
Number of deals and percentage for North-East



### 4.1.3 Type of buyers

For the industrial machinery industry, the greater number of investors is strategic and only a 10% is financial (for 5 deals). The data confirm that this industry is more dominated by long-term oriented and strategic acquisitions rather than the exploitation of profitable opportunities in the short-term.

(Figure 4.4) **Type of foreign buyers and provenience**  
 # of deals for Industrial Machinery industry in the North-East regions



As far as the geographic location of strategic buyers, there is a stable presence of United States, France and Germany, and a growing presence of Denmark and China.

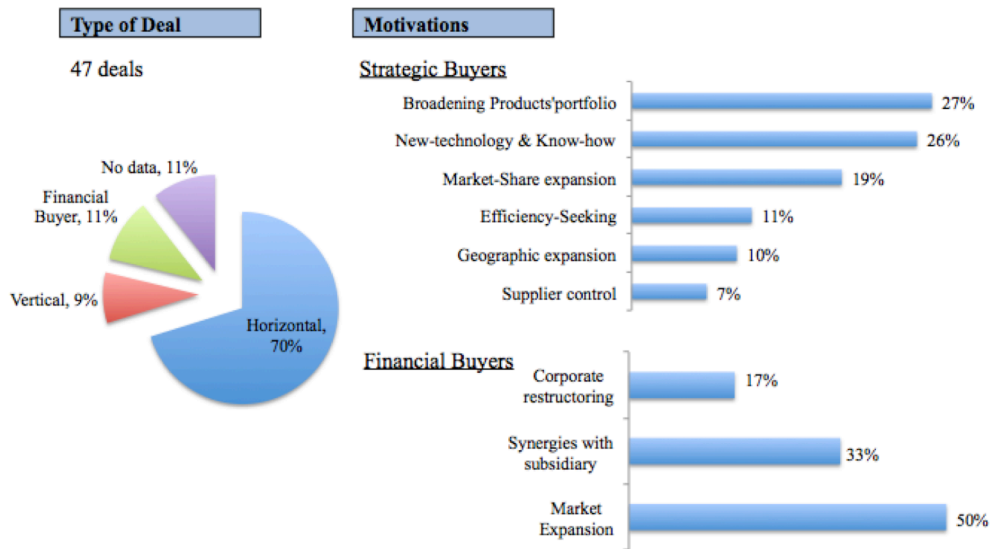
The geographic provenience of financial buyers is more heterogeneous: 2 deals were carried out by German buyers, one each from United States, China and France.

### 4.1.4 Motivations behind the acquisitions

To understand the reasons that have driven the acquisitions of North-East firms in the industrial machinery industry, we analysed each deal from the descriptions and the information collected online and available in the appendix. The transactions have been split by type of deal and by type of buyer (figure 4.5).

(Figure 4.5) **Type of deals and motivations**

47 inbound deals for Industrial Machinery industry in the North-East regions, 2008-14



The majority of the deals is represented by horizontal acquisitions (66%), followed by vertical (13%) and financial (11%). The economic fabric of the North-East is reflected on the acquisitions done by the foreign buyers: the acquired firms have high growth potential thanks to cutting edge technology and products, but they fall short of dimension and international presence. For financial buyers the main motivation for acquisitions is, of course, the profitability of the investment exploiting the target's existing capabilities and the connections and managerial skills of the private equity. Out of the 5 deals carried out by financial investors 3 of them find the source of value creation in the geographic expansion, in particular in the US, East-European and Asian markets, where the foreign private equity funds have their headquarters. In one case (Finatem – Gear World SpA, n°6, Appendix 1.1) the source of value creation comes from the strategic alignment with the subsidiary (Herzog GmbH) in terms of operating and innovation synergies.

For the strategic investors, the top motivations for acquiring a North-East company are “broadening products’ portfolio” (27%), “access to new-technology and know-how” (26%) and “market-share expansion” (19%). The Italian companies are sought for their cutting-edge product offering and the ability to innovate with an high level of technology.

Many foreign companies acquired through horizontal integration their North-East competitors to expand their market share and to provide a wider and more comprehensive range of products.

For example the American Hayssen Group acquired Schib Packaging in 2014 (deal n°2, Appendix 1.1) and Simionato Integrated Packaging in 2011 (deal n°21, Appendix 1.1) for leveraging capabilities and experience to gain competitive advantages in the global flexible packaging market.

The two North-East companies are cutting-edge in the horizontal wrapper systems, allowing the Hayssen Group to broaden their product offerings of flexible packaging solutions and to expand their geographical presence in Europe.

In many cases the need to complement the product line came from very large multinational companies, for example the Cameron International corporation (LTM Revenues \$9 bn), SPX Corporation (Revenues \$5,5 bn), Schneider Electric (Revenues \$24,6 bn), and Sidenor Holding (Revenues \$2,4 bn). In the acquisition of Douglas Chero Spa from the Cameron Corporation (deal n°9, Appendix 1.1), the acquiring company aims not only to broaden its product line, but also to exploit Chero's strong reputation in European, Middle East and African Markets for providing quality valves and responsive customer service.

Foreign acquirers pick the A-players in the Italian economy such as Seital srl, acquired by the American corporation SPX (deal n°17, Appendix 1.1) in 2012, for combining its global resources and market capabilities with the leading supplier of disk centrifuges to the global food and beverage industry.

The acquisition of technology and R&D is the key motivation in 26% of the deals; an example is provided by the acquisition of a 80% stake in Itaco srl by the German KSB company after 5 years of supplying (deal n°33, Appendix 1.1), aimed to develop a new kind of energy-efficient motor that exceeds EU requirements for high efficiency motors.

Some companies, mainly American and Chinese, aim to expand geographically (10% of the transactions) by setting a foothold in the European market or by taking advantage of the target's overseas facilities. The Chinese Beijing Jingcheng Machinery Electric (BJME) acquired Safop Spa in 2012 (manufacturer of heavy duty horizontal lathes, deal n°15, Appendix 1.1), one of other European firms acquired as part of their internationalization strategy. BJME seeks firms in the machine tool industry with an high level of technology to enrich its products lines and to take advantages of mutual complementarity.

The vertical acquisitions performed by strategic buyers aimed to control the suppliers (7%) and to transfer the production in-house, often after a long history of supplying.

For example, the Dutch Hyva Group, global provider of efficient transport solutions, acquired Tecnomet Srl in 2008 (deal n°43, Appendix 1.1), a manufacturer of double acting cylinders.

Tecnomet has a manufacturing site in the northern part of Italy and is one of the three main suppliers to Hyva's wholly owned subsidiaries AmcoVeba and F.lli Ferrari. The acquisition of Tecnomet will thus be a good supplement to Hyva's operations, providing the opportunity to transfer the double acting technology to its manufacturing sites worldwide.

#### 4.1.5 Financial data

The empirical data that large firms invest abroad and acquire smaller players is confirmed by table 4.1. Looking at the average values of revenues and number of employees, it is straightforward the larger size of the foreign acquirer compared to the North-East target.

*(Table 4.1) Financial for the inbound deals in the Industrial Machinery*

Average of the values

	Average of Implied EV/Revenues	Average of Acquirer's Revenue (at announcement, \$USDmm)	Average of Target 's Revenues (at announcement, \$USDmm) <sup>1</sup>	Average Number of buyer's Employees	Average Number of target's Employees
<b>2008</b>	-	691	190,7	3311	284
<b>2009</b>	1,16	1570	49,7	2017	811
<b>2010</b>	0,88	2300	18,8	4251	82
<b>2011</b>	1,47	6581	71,4	17100	120
<b>2012</b>	1,62	3112	11,2	7412	55
<b>2013</b>	0,66	9049	13,4	7616	54
<b>2014</b>	0,40	-	30,6	8027	160
<b>% Data disclosed</b>	21%	23%	72%	77%	89%

<sup>1</sup> Average EUR/USD exchange rates from: [www.ozforex.com](http://www.ozforex.com)

#### 4.1.6 Financial buyers

In this section we briefly summarize the deals realized by financial investors in the industry.

(Figure 4.6) **Foreign financial buyers, North-East Targets and Motivations**

5 inbound deals for Industrial Machinery industry in the North-East regions



The expansion in the US and East European market is core pillar of the growth strategy that the private equity fund Lincolnshire had in mind when it acquired a 51% stake in Gruppo Fabbri Vignola in 2014 (deal n° 5 Appendix 1.1).

Fabbri group is a market leader in the design, manufacturing, sales, and distribution of wrapping machines, films, and related parts and service for the fresh food packaging sector.

In 2014 Carraro SpA sold MG Mini Gears to the German fund Finatem for €28 mln for focusing more on the core business and improving the financial position (deal n° 6 Appendix 1.1). MiniGear develops, produces and marketing volumes of gear wheels mainly for the power tool, outdoor equipment, automotive and material handling technology. The transaction includes the sale of the business branch focused on the production and operational activities of the Mini Gears plant in Padova and of the entire stake held in the company MG Mini Gears Suzhou Ltd. The two activities will align to Finatem's subsidiary Herzog GmbH, manufacturer of precision-milled parts and precision-turned parts for the drive engineering sector, reaping synergies in applicative markets and production technologies.

In 2011 the French private equity fund Alpha Group acquired Savio Machine Tessili SpA, world leader in the production of winding machines and quality control devices for the textile



industry (turnover €460ml<sup>40</sup>) for €300ml (deal n° 26 Appendix 1.1). The strategy of the private equity firm is to invest in family-owned companies ranging all industry and for this specific case is looking to support Savio's existing management team and to develop the company's international presence.

In 2009 the fund Mandarin Capital Management bought a 6,8% stake in Ima Group for accelerating the growth in the Asian Market, where the packaging machine business is promising. IMA is already present in China with a factory (the "Ima Edwards Pharmaceutical Systems Beijing co. Ltd) in Beijing, a joint venture (Zibo Ima Xinhua Pharmatech) and a branch for sales (Ima packaging & Processing equipment). With the Chinese partner, IMA meant to enter also the tea market, where the market share of the tea bag is 2%. Mandarin Capital Partners disinvested their stake in September 2013, reaping a 2,2x multiple and an IRR of 27% on its original investment.

Faral Spa, aluminium radiator producer for customers in Europe was acquired by the German financial buyer "Bavaria Industriekapital AG" in 2008 and sold in 2014. The investment strategy of the private equity fund is to acquire companies based in the European region in the manufacturing industry and to restructure them.

#### **4.2 Outbound deals for Industrial Machinery**

To have a complete picture of the industrial machinery industry for North-East firms, it is convenient to analyze the direction and the motivations of the outbound deals closed by North-East firms that target the same industry abroad. From 2008 to 2014, North-East firms performed in total 25 outbound M&A deal (one deal was split in two transactions), with two peaks in 2008 and 2012, all closed by strategic buyers.

The top target countries for cross-border M&A are the United States (7 deals), France (5 deals) and Sweden (3 deals). There have been few acquisitions in developing countries such as China (2 deals in 2008), Brazil (one deal in 2012) and India (one deal in 2010).

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<sup>40</sup> from the Alpha Group website: <http://groupealpha.com/en/portfolio>, [access 17/05/15]

(Table 4.2) **Outbound deals trend and direction of the investments**

Number of deals, North-East acquirers

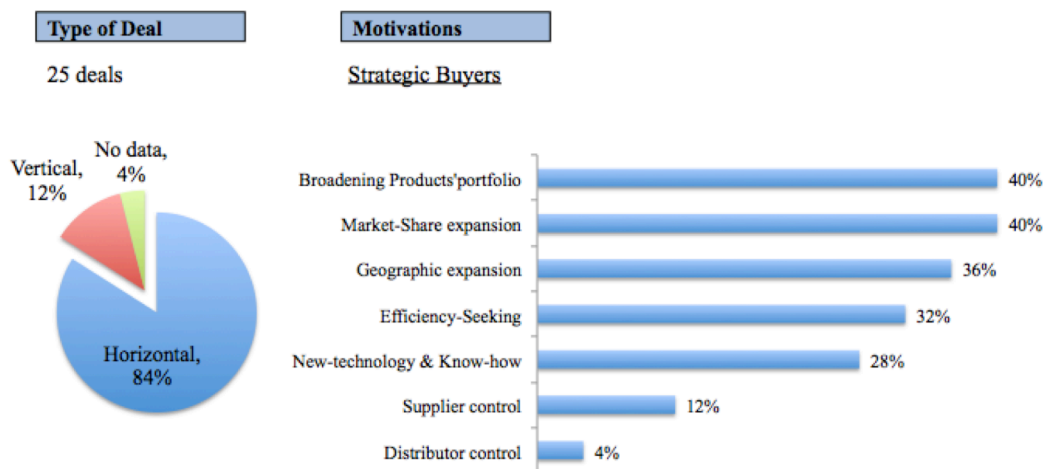
	2008	2009	2010	2011	2012	2013	2014	Total
<b>Total</b>	6	2	3	4	5	2	4	26
<b>United States</b>	3			1	1	1	1	7
<b>France</b>		2			1		2	5
<b>Sweden</b>	1			1	1			3
<b>China</b>	2							2
<b>Germany</b>			1		1			2
<b>Brazil</b>					1			1
<b>Denmark</b>						1		1
<b>Finland</b>			1					1
<b>India</b>			1					1
<b>Switzerland</b>				1				1
<b>Turkey</b>							1	1

The United Kingdom outbound deals are for the 84% horizontal acquisitions and for the 12% vertical, indicating that the supplier or distributor control is not an issue for the industrial machinery's industry. The identikit of the North-East buyer in the industrial machinery is a very large firm (the average revenues ranges from \$35 ml to \$1842 ml), very active in the internationalization strategy through external and internal lines, mainly targeting firm in the US but also in emerging markets, to broaden its product offering and enter quickly in new markets.

Looking at Figure 4.7 the geographic and market-share expansion are among the motivations in 36% and 40% of the deals, while the acquisition of new-technology and know-how is represented by the 28%. North-East firms look for expansion mainly in the US market (in particular for the Pharmaceutical industry), Chinese and French market.

(Figure 4.7) **Type of outbound deals and motivations**

25 outbound deals for Industrial Machinery industry, 2008-14



Among the deals that aim to increase the market-share by acquiring the competition, there is the acquisition of Oakley Industrial by CSM Machinery (deal n°1, Appendix 1.2). The Treviso Group is pursuing an internalization strategy by acquiring its American competitor in the production of electric resistors to further expand its presence in the North-American market and by setting operations in Brazil to produce an electric-weld tubes.

Also the leading player of heating and cooling services Riello Spa, has a similar strategy: in 2008 it acquired the French Baxi S.A (deal n°19, Appendix 1.2) and it set up a new factory in China. The operations point to increase the production volumes and competitiveness thanks to product and process synergies and to consolidate its position in the global market with its presence in the South-East Asian market.

Since 2008 large North-East companies are growing internationally through internal and external lines such as the 5 deals out of 25 closed by Coesia Spa and IMA Spa.

Coesia Spa, managed by Isabella Seragnoli, daughter of the founder of the company, is the Italian leader in the packaging automatic machines with 60 operative units in 27 Countries, 5 thousands employees, 98% of the revenues realized abroad.

Coesia Spa has started its internationalization strategy during the '80 and its latest acquisitions were the Oystar North America, the Swedish FlexLink AB and Sirius Machinery (deals n°6-11-20, Appendix 1.2). All the acquisitions aim to strengthen the position of the group in the packaging industry by buying the North-American leader in food and consumer goods packaging, the world leading production logistic provider (FlexLink) and the world leader in the cosmetic industry packaging (Sirius Machinery).

IMA Spa is the world leader in the design and manufacture of automatic machines for the processing and packaging of pharmaceuticals, cosmetics, food, tea and coffee, with a consolidated turnover of € 854,6 ml and about 4600 employees. With the acquisition of BOC Edwards Pharmaceutical System group (deals n°24-25, Appendix 1.2) IMA enters the freeze-dry market in the US and China in order to exploit synergies with its pharmaceutical business. According to Alberto Vacchi, president of IMA, the freeze-dry business has high-potential growth in the pharmaceutical business, with many applications in the biotechnology field.

The horizontal acquisitions allow to broaden the product portfolio (motivation present in 40% of the deals) and to achieve efficiency synergies (32%), like in the acquisition done by Danieli Spa. The Italian group is one of the world's largest privately controlled integrated engineering groups, manufacturing turnkey projects for scrap processing facilities. With the acquisition of Akros Henschel Sas, manufacturer of hydraulic scrap shears and balers (deal n°7 Appendix 1.2), Danieli group may achieve efficiency synergies and integrate vertically the scrap preparation processes.

Acquiring a foreign company for a quicker access to technology is the motivation in 28% of the deals. For example, Stevanato Group acquired the Danish Innoscan AS in 2013 (deal n°4, Appendix 1.2) for acquiring the technological know-how of visual inspection. Therefore, the competences and the portfolio of Innoscan will be joint with Stevanato, offering a more complete gamma of visual inspection and covering more market segments.

*(Table 4.3) Financial for the outbound deals in the Industrial Machinery*

Average of the values

	<b>Average of Implied EV/Revenues</b>	<b>Average of Acquirer's Revenue (at announcement, \$USDmm)</b>	<b>Average of Target 's Revenues (at announcement, \$USDmm)<sup>1</sup></b>	<b>Average Number of buyer's Employees</b>	<b>Average Number of target's Employees</b>
<b>2008</b>	14,4	457,8	-	1764	91
<b>2009</b>	-	41,8	-	-	510
<b>2010</b>	-	35,8	-	270	325
<b>2011</b>	-	404,0	-	1522	29
<b>2012</b>	9,4	1842,2	-	5035	179
<b>2013</b>	-	1705,9	-	5762	15
<b>2014</b>	5,5	85,9	32,4	319	180
<b>% Data disclosed</b>	12%	65%	4%	76%	46%

<sup>1</sup> Average EUR/USD exchange rates from: [www.ozforex.com](http://www.ozforex.com)

### **4.3 Inbound deals for Apparel industry**

The fashion industry is one of the excellences of Italy and it is acknowledged worldwide for the style and the quality of its products. The design and the tradition of creativity melts together to produce apparel and luxury goods exported and appreciated all the world. With 23 companies out of the total top 75, Italy is the best represented country in the Global Luxury Goods (Deloitte, Global Power of Luxury Goods<sup>41</sup>). In terms of revenues, Luxottica with \$9,7 bn is at the 5th place, following the French giants LVMH (\$22 bn) and Kering group. According to Deloitte consultants<sup>42</sup> Italy is the country most represented in the luxury market but at the same time very fragmented: the revenues of the total 29 Italian groups is only the 16,5% of the top 100 companies. Italian fashion companies have also an intrinsic advantage compared to other countries: according to a survey conducted by Altagamma 44% of the global consumers considers Italy as the best Country for luxury products versus 17% that prefers France (AIFI, M&A Directory 2014).

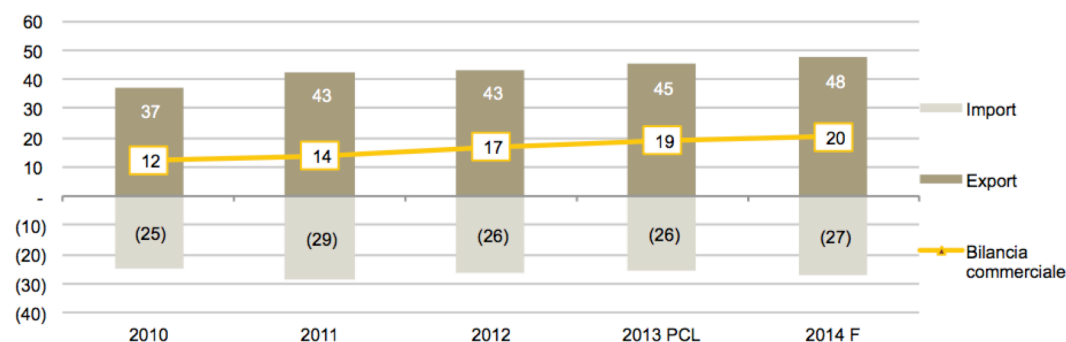
For the Italian economy, the Fashion industry has a strategic relevance: in 2013 the industry's revenues have been €60 billions with 610 thousands people employed (3% of the total employed people in Italy) and more than 60 thousands small and medium enterprises are active in the fashion production chain (data from "Camera Nazionale della Moda Italiana"). The exports are a key driver of the industry, especially after the decreasing national consumption (-2% in 2013) and the increasing demand in Emerging markets. In 2013, the exports of products reached €45 billions and are exhibiting an increasing trend. The destinations' scenario is changing: from the main European target countries such as France, Germany and Switzerland, to the emerging countries such as Russia, US and China, where the "Made in Italy" brand is a decisive factor of purchase.

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<sup>41</sup> [http://www2.deloitte.com/content/dam/Deloitte/it/Documents/about-deloitte/GP\\_Luxury\\_2014.pdf](http://www2.deloitte.com/content/dam/Deloitte/it/Documents/about-deloitte/GP_Luxury_2014.pdf), [access 15/06/15]

<sup>42</sup> [http://www.repubblica.it/economia/rubriche/fashion-e-finance/2015/06/23/news/deloitte\\_un\\_terzo\\_delle\\_maggiori\\_aziende\\_mondiali\\_del\\_lusso\\_e\\_italiano-117531569/](http://www.repubblica.it/economia/rubriche/fashion-e-finance/2015/06/23/news/deloitte_un_terzo_delle_maggiori_aziende_mondiali_del_lusso_e_italiano-117531569/) [access 15/06/15]

(Figure 4.8) Exports, import and trade balance in the Italian Fashion industry



Source: Camera Nazionale delle Moda Italiana

The Apparel and Fashion industry is also the second top industry by number of deals where most of Foreign acquisitions took place, both at the Italian level and in the North-East regions. The market is consolidating as big fashion groups acquire smaller companies to complement their existing product portfolio and to create platforms of luxury by exploiting synergies and diversify the risk (such as LVMH and Kering Group). On the other hand, financial investors seek brands with high growth potential to be captured in fast-growing economies (i.e. Raffaele Caruso, Marcolin) or favour turnaround situations.

The deals taken into consideration belong to the “Apparel, Accessories & Luxury Goods” industry, whose definition by Capital IQ is “Manufacturers of apparel, accessories and luxury goods [...], includes companies primarily producing designer handbags, wallets, luggage, jewelry and watches, excludes shoes classified in the Footwear sub-industry” (*Ibid.*). The following paragraphs analyze deeper the situation and the ongoing trend.

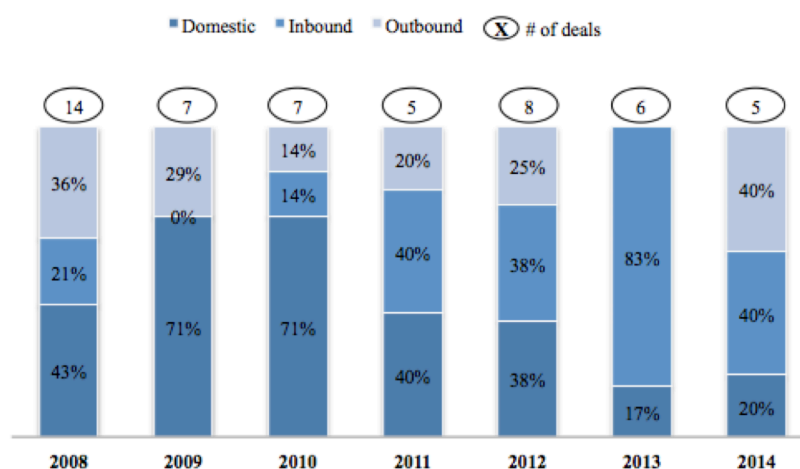
#### 4.3.1 Trend overview

Figure 4.8 shows the trend of M&A deals in the North-East for the Apparel, Accessories and Luxury Goods in the last six years. In the recent years there have been an increasing quota of cross-border deals: the share of domestic deals went from 71% in 2010, to 40% the following year till 20% in 2014. The trend highlights how the international expansion is the natural growth path for firms operating in the Fashion industry, both inbound and outbound. In order to grow, Italian apparel firms need to tap the markets with growing demand for luxury products, either by establishing a direct presence or by being acquired by a foreign investor. The share of inbound deals that target the North-East of Italy increased since 2008, going from 21% to 40% in 2014, with a peak of 83% in 2013.

The entry of Foreign investors in the Italian fashion brands is an important factor that favors the international expansion and to face the global competition.

The private equity funds and the bigger fashion players provide financial resources, operative and logistic synergies that allow Italian firms to enter in new geographical markets and to consolidate their worldwide presence (Report KPMG, “The acquisitions of foreign investors in the Fashion & Luxury”).

(Figure 4.8) **Trend in the Apparel and Fashion’s industry**  
 Number of M&A deals by type<sup>1</sup>, North-East regions



<sup>1</sup> Domestic: North-East firms acquired by Italian firms; Outbound: cross-border deals of North-East buyers in the Apparel industry

The interest of foreign investors for the Italian Fashion firms lies in the high intrinsic value of the “Made in Italy” products. According to Francesco Pesci, Ceo of Brioni (Kering Group), the growth of the foreign investments in Italy is due to “the strength of Italian production and creativity” and to the “high profitability of the luxury brands”.

The increasing number of foreign acquirers raised some concerns in the Italian community that made wonder why there are no Italian investors that are willing to invest in the Made in Italy luxury brands. A possible answer is connected to two main reasons of the Italian divestitures: international expansion and need of financial resources. As far as the international expansion, having a foreign partner is more effective in entering new markets because of its knowledge and connections in the local area. The geographical expansion is costly and the small-medium enterprises operating in the Fashion industry can’t always afford it as the large fashion groups.

This brings us to another relevant question about the lack of an **Italian Fashion pole**, given the value of Italian products in the Fashion and Luxury business.

In Armando Branchini's opinion, Vice-President of Altagamma foundation, it is difficult to aggregate the fashion firms because of the direct involvement of the founders and their families (KPMG Report, 2014). Most of the fashion firms were founded after 1975 and they are still managed by the first or second generation of entrepreneurs, low inclined to disinvest and aggregate.

As a matter of facts, the large French Luxury poles were developed in the early years through the acquisitions of older firms, already managed by managers (and not the founder's families) and in a no longer profitable status. According to Francesco Trapani, Vice President of Clessidra fund, the key ingredients for a Luxury Pole are the knowledge of the market and financial resources, both possessed by the large French groups that allow them to acquire other brands and leverage their capabilities.

The foreign acquisitions raised also questions about likely delocalizations of the production with consequently loss of jobs and brand identity. Many of these alarms revealed to be unfounded, since most of the foreign acquirers retained key role people and the production in Italy.

Since the value of the Italian fashion industry is strictly connected to the Italian territory and to the "Made in Italy" brand, it is hard to believe that the foreign acquisitions can weaken the domestic economy by transferring the production abroad without a deep loss in the brand image (KPMG report, *ibid.*).

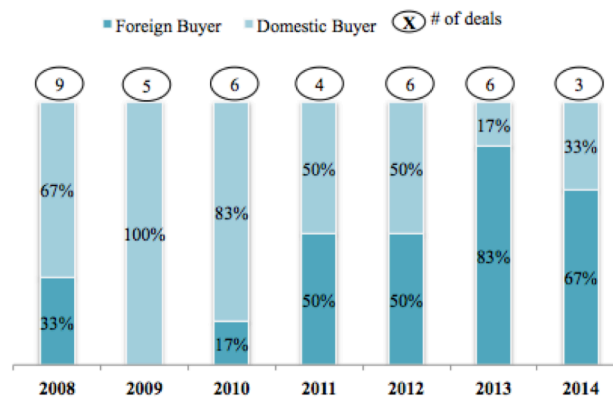
Nonetheless the Italian economy can be weakened because the decision centers and the profits are moved abroad and it rekindled the discussion on the economic development of Italy.

The share of outbound deals have been quite stable across the years, peaking in 2014 with a 40% of the total (2 outbound deals out of the total 5). The cross-border outbound deals are a prerogative of large North-East firms (i.e. Safilo and Calzedonia) that pursue mainly vertical integration strategies, both at the supply and distribution side. Large North-East firms, in particular in the underwear and accessories categories, aim to acquire local retailers in order to control and manage directly the distribution, granting a more effective brand development.



(Figure 4.9) **Increasing share of foreign buyers**

Deals in the Apparel and Fashion industry by buyers' provenience, North-East of Italy



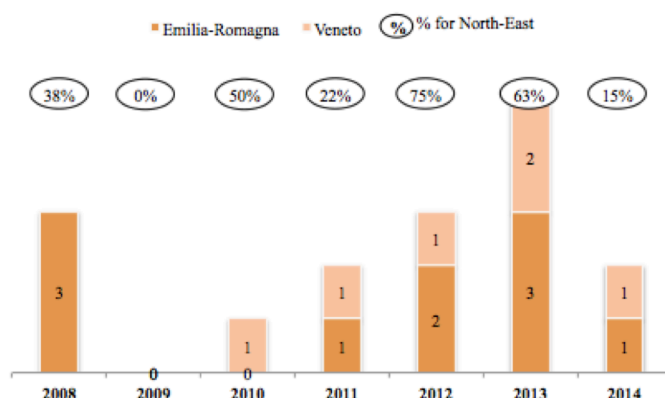
### 4.3.2 Target regions

The North-East of Italy has been the target region for 35% of the inbound deals in the Apparel & Luxury Goods industry (timeframe 2008-14), followed by Lombardy (30,4%) and Tuscany (15,2%). We mentioned the North-East regions for the Apparel industry, but as a matter of facts there were no deals in Friuli-Venezia Giulia and Trentino-Alto Adige in the period considered.

The North-East of Italy has been the target of foreign financial buyers more than the other Italian regions. Since 2008, 38% of the deals closed by financial buyers in the Apparel industry addressed a North-East region, while 27% of them targeted Lombardy. This may be caused by the structure of North-East firms, characterized by the need for capital and by the lack of managerial skills, both necessary factors to face international markets and geographic expansion.

(Figure 4.10) **Target North-East regions**

Number of deals and percentage of deals for the North-East



### 4.3.3 Type of buyers and provenience

The protagonists of the inbound M&A deals for the North-East regions are the financial investors with a 85% share out of the total inbound deals (2008-14). The number of deals closed by financial investors increased in particular during the last 3 years, peaking in 2013 with 5 deals.

The same trend occurred at the Italian level: as reported by KPMG (*ibid.*) from 2010, 46% of the transactions has been realized by financial investors versus a 25% in the previous years. The trend is particularly interesting because only ten years ago the financial investors were very skeptical about acquiring firms with a complex business model to manage and to develop further once acquired.

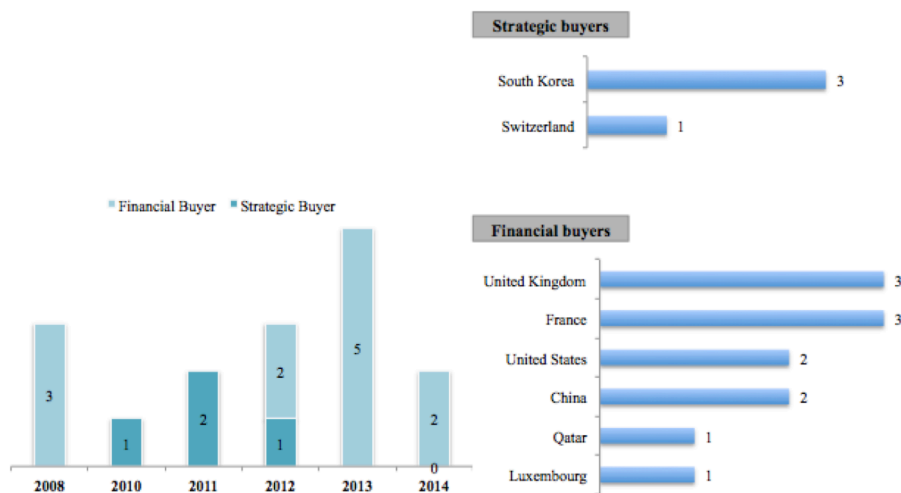
Financial investors are attracted by the solidity of the Italian business and by the potential of the Fashion & Luxury industry, besides the manufacturing excellence and the prestigious of the Italian brands. According to Francesco Pesci, Ceo of Brioni (KPMG Report 2014) the Private Equity and Sovereign funds, that operate under a financial perspective, understood the high profitability of the luxury brands, especially coming from the international expansion.

The geography of the financial investors in the North-East is also changing: among the Anglo-Saxon and French funds, Chinese and Middle-East funds start to make their appearance. It is the case of the Qatari fund Mayhoola (that acquired Pal Zileri) and the Chinese Fosun International and Pyrrho Investments that acquired stakes in Raffaele Caruso and Mariella Burani respectively.

For the strategic deals, the Foreign buyers were focused on strengthening and differentiating the brand portfolio to reinforce the contractual power and profit opportunities.

The 4 strategic acquisitions in the North-East have been carried out by large groups, in particular by the Korean E-Land and the Swiss JAB Luxury in order to acquire complementary brands. The corporate acquisitions bring additional growth opportunities for the brands that thus can leverage the synergies in terms of distribution and communication. According to a AIFI commentary (AIFI, 2014) the exploitation of operating synergies justifies the higher multiples paid for the acquisitions corporate compared to the financials’.

*(Figure 4.11) Type of foreign buyers and provenience*  
16 inbound deals in the Apparel industry, North-East regions



#### 4.3.4 Motivations behind the acquisitions

Addressing the motivations behind the foreign acquisitions, we can notice how the company structure of North-East enterprises directly affected the cross-border acquisitions. The well-known Made-in-Italy fashion industry was born in small and family-owned artisan workshops that now need to change their structure in order to grow in the global markets.

In all the 12 deals closed by financial investors (75% of the total), the main motivation underlying the private equity’s acquisitions is the injection of *growth capital* to seize the potentialities of the brand. The need of financial resources was instrumental to start and enhance the international expansion, which is the top motivation for 83% of the inbound deals. The distressed condition of the target company is the second top motivation for one

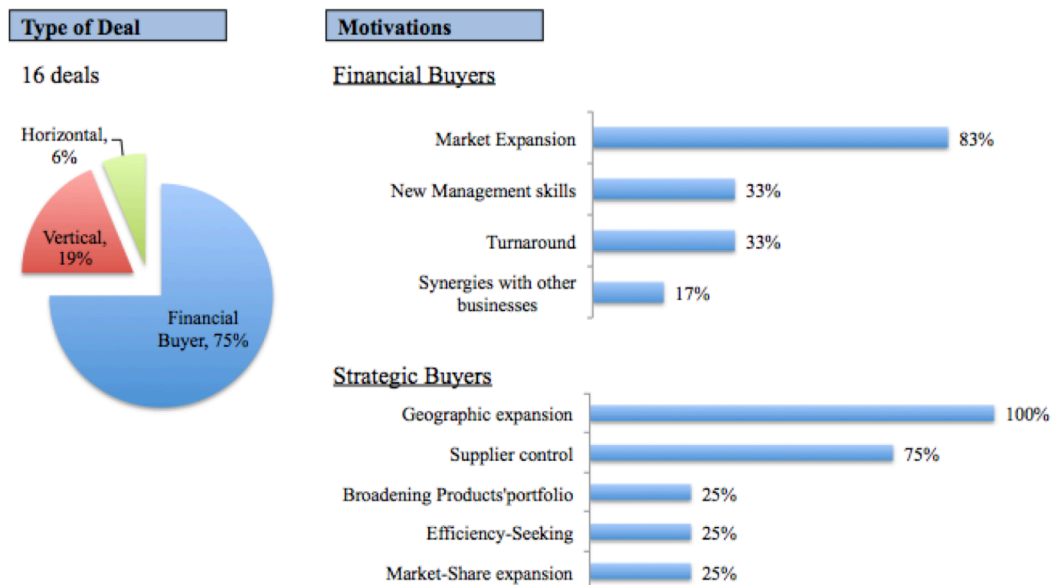
third of the deals, followed by the additional management skills (25%) and the synergies with other investments of the financial investor (25%).

The geographical markets where all the Apparel and Luxury firms mean to enter are the Asian, the Middle-East, Russia and the American markets. Particularly in the Middle-East and in China, the Italian brands have a high value and the western creativity is strongly felt.

The companies *Mariella Burani* and *Raffaele Caruso* have been the target of Chinese private equity funds, respectively by Phyrro Investments (2014) and Fosun International (2013). The first one was acquired for €2,6 millions in a turnaround procedure, while in second one only a minority stake of 35% has been sold for increasing the invested capital. The interest of Chinese companies is present also at the Italian level with the recent acquisition of *Krizia* by the Shenzhen Karisfrog Fashion. Some of the Chinese acquisitions have also a strategic meaning (Francesco Pesci, *ibid.*) with the acquisition of technologies and competences in terms of product and distribution.

(Figure 4.12) **Type of deals and motivations**

16 inbound deals for Apparel & Fashion industry in the North-East regions, 2008-14



The geographic expansion is also at the basis of the acquisition of *Marcolin*, as the partner of Pai Raffaele Vitale said: “We see an excellent potential for the business development, in Europe, in the United States and in particular in the emerging markets, where the product demand is growing”<sup>43</sup>.

<sup>43</sup> [http://www.repubblica.it/economia/2012/10/15/news/venduta\\_marcolin\\_a\\_pai\\_partners-44555104/](http://www.repubblica.it/economia/2012/10/15/news/venduta_marcolin_a_pai_partners-44555104/)

Pai Partners provided the necessary capitals to support the next growth phase, which is the expansion in the international markets and in long term agreements with the main brands. In particular, Marcolin was lacking in the distribution chain of its models and it was not competitive enough compared to Safilo and Luxottica.

Strengthening the systems and controls in order to grow further is instead the strategy of Stirling Square, private equity firm, that along with Sirius Equity and Goldman Sachs acquired the Italian luxury sportswear brand *Jeckerson* from Blue Fashion Group (deal value €140ml). The private equity team planned to spread the success that the brand has in Italy also in other selected markets in Europe and then in Russia and the Middle East, by adopting a multi-market strategy<sup>44</sup>.

Another fashion family-business that has been sold to financial investors is the *Twin-Set group* of Simona Barbieri, acquired by Carlyle for €300 millions and a multiple EV/EBITDA of 7,5x. The English private equity firm aims to expand the distribution network and the revenues by acquiring new brands and brand-extending the current ones (by using the same brand for different products, from perfumes to house-accessories).

Some kind of operating synergies are also possible with financial investors: when Mr Scaglia acquired La Perla (Nute Partecipazioni) in 2013 from the American Private Equity JH Partners, he aimed to capture synergies in the Asian market with the Model Agency Elite World.

The foreign strategic buyers represent a small share of the inbound deals (25%) with 4 deals, 3 of them closed by the South Korean retailer E-Land. E-Land is a fashion distributor with 60 brands and \$7 billions of turnover in 2011 that opens mono-brand flagship stores around the world without intervening in the production. E-Land performed vertical integrations by acquiring Coccinelle, Mandarina Duck and Belfe to enrich its product's gamma and to give the Italian brands the opportunity to grow in the Asian markets where it is largely based. The other strategic buyer is the Swiss holding Jab Luxury (ex Labelux) that increased its luxury portfolio by acquiring the Belstaff brand from Clothing Company Spa (2011) and previously the Jimmy Choo's. Belstaff has an ambitious development plan which will be accelerated with the support of Labelux, notably in the fields of geographical expansion and product extension.

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<sup>44</sup> <https://realdeals.eu.com/article/14179> [access 25/02/2015]

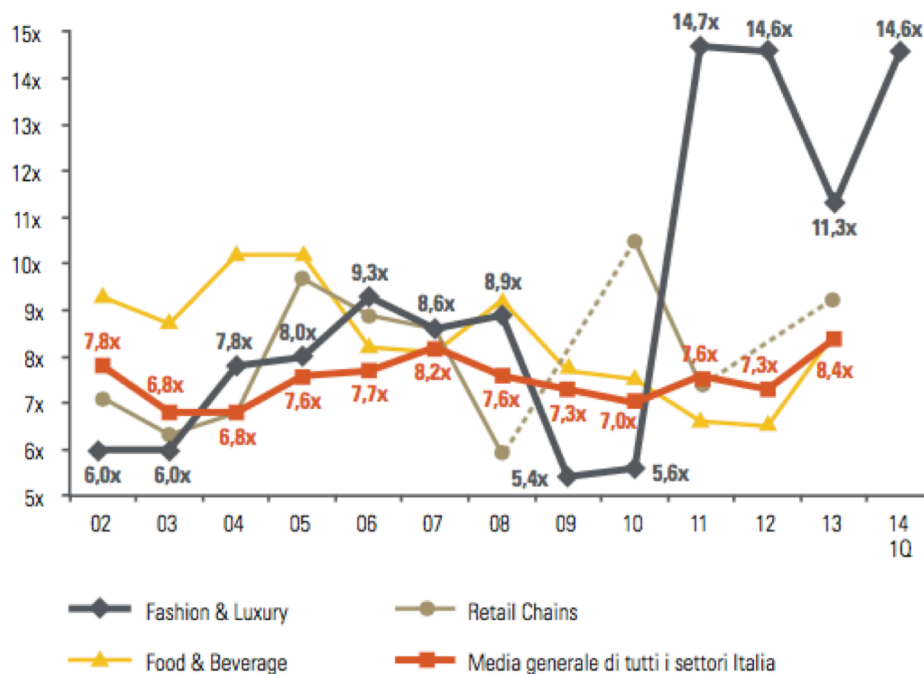
(Table 4.4) Motivations for the inbound deals in the Apparel & Retail

<u># of deal in the ANNEX</u>	<u>Year of Closed Date</u>	<u>Target</u>	<u>Buyers</u>	<u>Geographic Location Foreign Counterparty</u>	<u>Type of deal</u>	<u>Motivations for value creation</u>
1	2014	Mariella Burani	Pyrrho Investment	China	Financial Buyer	Acquisition by financial buyers, corporate restructuring, market expansion in the Chinese market
2	2014	Forall Confezioni S.p.A.	Mayhoola for Investments S.P.C	Qatar	Financial Buyer	Corporate restructuring (financial difficulties due to the crisis in the Italian market), geographic expansion in international markets
3	2013	Via Delle perle S.p.A.	Argos Soditic	France	Financial Buyer	international expansion, additional financial resources, new managerial skills
4	2013	Nute Partecipazioni SpA	Pacific Capital	Luxembourg	Financial Buyer	bankruptcy sale and corporate restructuring, geographic expansion in China, synergies between the Model agency “ Elite World” and the luxury fashion underwear
5	2013	Raffaele Caruso	Fosun International	China	Financial Buyer	expand internationally (Asian Market) thanks to the home-country competitive advantages of Fosun and the large amount of capitals
6	2013	MCS ITALIA S.p.A.	Emerisque Capital Limited	United Kingdom	Financial Buyer	market expansion in China, Russia, India and Middle East
7	2013	Marcolin S.p.A.,	PAI Partners	France	Financial Buyer	international expansion (Europe and United States), long-term agreement with major brands, to strengthen the distribution side
8	2012	Marcolin S.p.A.,	PAI Partners	France	Financial Buyer	(as above)
9	2012	Twin Set - Simona Barbieri S.p.A.	The Carlyle Group LP	United States	Financial Buyer	Provide the financial and managerial resources that are necessary to seize the opportunities offered by both the Italian and international fashion markets, partnership with Light Force
10	2012	Coccolle S.p.A.	E. Land World Company	South Korea	Vertical acquisition	Expansion in Asian market, synergies between its fashion and retail businesses
11	2011	Mandarina Duck S.p.a.	E.LAND Co., Ltd.	South Korea	Vertical acquisition	Expansion in Asian market, synergies between its fashion and retail businesses
12	2011	Clothing Company SpA	JAB Luxury GmbH	Switzerland	Horizontal	Belstaff has a development plan which will be accelerated with the support of Labelux, notably in the fields of geographical expansion and product extension.
13	2010	Belfe S.p.a.	E.LAND Co., Ltd.	South Korea	Vertical acquisition	Expansion in Asian market, synergies between its fashion and retail businesses
14	2008	Nute Partecipazioni	JH Partners LLC	United States	Financial Buyer	Distressed and company restructuring
15	2008	JECKERSON S.p.A.	Stirling Square Capital Partners LLP	United Kingdom	Financial Buyer	The company has recently launched a strategy of international growth focused on selected export markets, continuing brand extension in Italy
16	2008	Mosaicon SpA	3i Group plc	United Kingdom	Financial Buyer	Favoring international growth in China and India, development of distribution and industrial synergies to value the brands in the emerging markets

### 4.3.5 Financial data for inbound deals

From the data elaboration of KPMG (Figure 4.13) we can notice the high valuation of the Italian target companies in the Fashion industry compared to the other industries. In the last 4 years the multiples EV/EBITDA has been almost 3 times the multiples in the other industries like the Food and Beverage, and the Retailing. The high multiples don't necessarily mean that foreign companies overpaid the fashion firms. In the case of large international groups, the multiples can be justified by the greater value that can be achieved through synergies with other brands in portfolio or with other holding's structure (Report KPMG, *ibid.*).

(Figure 4.13) Multiples EV/ EBITDA



Source: KPMG Advisory Elaboration, AIFI directory M&A 2014

The deals with the higher transaction values are the acquisition of Marcolin (2012-13) for €292 millions and the acquisition of Twin-Set of Simona Barbieri for €210 millions.

**(Table 4.4) Financial data for the inbound deals in the Apparel & Retail**

<u>Year of Closed Date</u>	<u>Target</u>	<u>Buyers</u>	<u>Buyer Type</u>	<u>Total Transaction Value (€EURmm, Historical rate)</u>	<u>EV/Revenues</u>	<u>Percent Sought (%)</u>	<u>Target's Revenues (\$USDm)</u>	<u>Number of Employees Target</u>
2014	Mariella Burani	Pyrrho Investment	Financial Buyer	2,6	-	100		
2014	Forall Confezioni S.p.A.	Mayhoola for Investments S.P.C	Financial Buyer	55	-	65	157,931	769
2013	Via Delle perle S.p.A.	Argos Soditic	Financial Buyer	-	-	75	45,961	45
2013	Nute Partecipazioni	Pacific Capital	Financial Buyer	69	0,64	100	4,210	
2013	Raffaele Caruso	Fosun International	Financial Buyer		-	35	75,476	
2013	MCS ITALIA S.p.A.	Emerisque Capital Limited	Financial Buyer	-	-	100	0,268	
2013	Marcolin S.p.A	PAI Partners	Financial Buyer	57,06	1,29	21,61	280,060	-
2012	Marcolin S.p.A	PAI Partners	Financial Buyer	235,26	1,29	78,39	280,060	-
2012	Twin Set - Simona Barbieri S.p.A.	The Carlyle Group LP	Financial Buyer	210	-	-	0,095	519
2012	Coccinelle S.p.A.	E. Land World Company, Ltd.	Strategic Buyer	15,5	-	100	66,879	210
2011	Mandarin a Duck S.p.a.	E.LAND Co., Ltd.	Strategic Buyer	46,68	-	100	38,451	143
2011	Clothing Company SpA	JAB Luxury GmbH	Strategic Buyer	110	-	100	28,297	5
2010	Belfe S.p.a.	E.LAND Co., Ltd.	Strategic Buyer	103	-	100	-	-
2008	Nute Partecipazioni SpA	JH Partners LLC	Financial Buyer	-	-	30	4,663	13
2008	JECKER SON S.p.A.	Stirling Square Capital Partners LLP	Financial Buyer	140	2,92	100	82,390	39
2008	Mosaicon SpA	3i Group plc	Financial Buyer	128	-	49	1,134	

<sup>1</sup> Average EUR/USD exchange rates from: [www.ozforex.com](http://www.ozforex.com)



#### 4.4 Outbound deals in the Apparel industry

The scenario of the outbound M&A deals in the Apparel, Accessories and Luxury Goods' industry performed by North-East firms strongly remarks the current trend in the industry, which is the vertical integration of the worldwide operations. Fashion companies tend to offer a vertical structure completely integrated in order to guarantee the quality of the products, the control of the brand and higher margins.

The first point to stress is the dimension of the North-East companies that performed cross-border acquisitions. As explained in chapter 2, only large and well-structure companies have the financial resources and the skills to enter new geographic markets through foreign acquisitions or greenfield operations. From 2008 to 2014, the North-East companies that performed cross-border acquisitions are bulwark of the Italian fashion industry: Safilo, Piquadro, Benetton, Calzedonia, OnlyTheBrave, Pal Zileri, La Perla, Cionti srl.

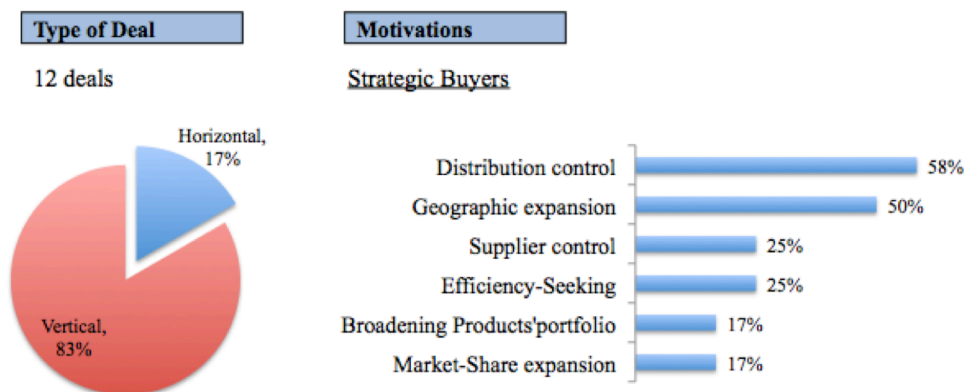
Out of the 12 outbound deals, 83% of them are vertical acquisitions while 17% (2 deals) are horizontal in order to broaden the products' portfolio (figure 4.12). The vertical integration is realized both at the supply and at the distribution side, even though the last one prevails in 58% of the deals. By acquiring the distributors, fashion companies can better control the exports of the products and the brand image.

The geographic expansion motivation is present in half of the total deals, targeting countries in Europe such as Austria and the UK and overseas realities such Hong Kong (toehold for the Chinese Market), Australia and Mexico (table 4.5).

The acquisition of the suppliers is motivated by efficiency reasons (such as lower labor and production costs) and to control the manufacturing process.

(Figure 4.12) Type of deals and motivations

12 outbound deals for Apparel & Fashion industry in the North-East regions, 2008-14



One example is Piquadro (deal n° 5) that acquired the total ownership of its Chinese supplier Unibest Leather Goods in 2010 to better control the supply chain of its products.

Other efficiency-seeking apparel firms such as Benetton (n° 4) and Cionti (n° 7) acquired factories in Bulgaria and Serbia where, besides the lower costs, there are government subsidies to prompt foreign investments.

Half of the outbound deals were closed by two major players: Safilo Group Spa and Calzedonia Holding Spa. Safilo has acquired the Swiss brand Polaroid, a world leader in optics and lens technology in 2012 to complement its well performing licensed brand portfolio. Safilo's strategy is to complete its offering in a market segment with a high growth potential, especially in markets outside Europe, where the distribution network of Safilo Group will allow a prompt expansion. In this direction the Safilo's acquisitions in Australia and Mexico assume a high strategic value in order to develop a fully controlled international retail network.

Calzedonia is also consolidating its retail network by acquiring the distribution companies in Greece and Austria. The underwear brand owes its success to the capillary presence of its retail stores in Italy (1350 sales point) and abroad (1200), reached through franchising agreements that granted a quick and continuous expansion.

*(Table 4.5) Outbound deals trend and direction of the investments*

Number of deals, North-East acquirers

	2008	2010	2011	2012	2014	2009	Total
<b>Total</b>	5	1	1	2	1	2	12
<b>Hong Kong</b>		1		1			2
<b>Austria</b>	2						2
<b>Switzerland</b>				1			1
<b>United Kingdom</b>						1	1
<b>Greece</b>					1		1
<b>Serbia</b>			1				1
<b>Bulgaria</b>						1	1
<b>Netherlands</b>	1						1
<b>Mexico</b>	1						1
<b>Australia</b>	1						1

(Table 4.6) Motivations for the outbound deals in the Apparel & Retail

<u># of deal in the ANNE X</u>	<u>Year of Closed Date</u>	<u>Target</u>	<u>Buyers</u>	<u>Geographic Location Foreign Counterparty</u>	<u>Type of deal</u>	<u>Motivations for value creation</u>
1	2014	Calin S.A.	Calzedonia Holding S.p.A.	Greece	Vertical	Vertical integration (distribution side) in Greece
2	2012	Forall Asia Pacific Limited	Forall Confezioni S.p.A.	Hong Kong	Vertical	Acquisition of distributors in HK
3	2012	StyleMark GmbH, Polaroid Eyewear Business	Safilo Group S.p.A.	Switzerland	Horizontal	Increase product portfolio with the acquisition of Polaroid Eyewear
4	2011	textile industry NITEX LLC	Benetton Group SpA	Serbia	Vertical	expanding production facilities in Serbia because of lower production and labor costs and government incentives for foreign firms
5	2010	Unibest Leather Goods Co. Ltd.	Piquadro SpA	Hong Kong	Vertical	acquisition of the Chinese supplier (40% of the total production) to better control the supply chain in terms of efficiency at manufacturing level and currency control.
6	2009	Hornvale Limited	Nute Partecipazioni SpA	United Kingdom	Vertical	With this transaction, La Perla assumes direct management of 12 flagship stores in major department English stores, consolidating the presence in the key area of the fashion world
7	2009	CTI Clothing Trade International Plc	Cionti S.r.l.	Bulgaria	Vertical	Acquisition of supplier based in Bulgaria
8	2008	Austrian Network of Intimissimi Brand	Calzedonia S.p.A.	Austria	Vertical	Acquisition of distributors
9	2008	CCI Handelsgesellschaft m.b.H.	Calzedonia S.p.A.	Austria	Vertical	Acquisition of distributors
10	2008	Viktor & Rolf BV	Only The Brave S.R.L.	Netherlands	Horizontal	partnership for new licencing agreement, strengthening the distribution channels, investments in communication
11	2008	Grupo Sunglass Island	Safilo Group S.p.A.	Mexico	Vertical	developing the international retail expansion in Australia and Mexico in order to strengthen the market position; establishment of a direct distribution network to value the quality and the image of the products.
12	2008	Just Spectacles Pty Ltd.	Safilo Group S.p.A.	Australia	Vertical	(same as above)



# Conclusions

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## *1. Main results of the empirical analysis*

According to the empirical analysis, 26% of the total inbound deals and 28% of the outbound took place in the regions (Veneto, Emilia-Romagna, Trentino Alto-Adige, Friuli-Venezia Giulia), making the North-East the most active area in cross-border M&A in Italy, second only to Lombardy. In 2014, the number of both inbound and outbound deals increased compared to the year before (+36% for outbound), showing an opposite trend compared to Italy, where the outbound deals are decreasing since 2012. This result confirms the higher degree of internationalization of North-East firms compared to the other regions (survey Fondazione Nord Est, 2011), even if the whole Country lags behind compared to similar European Countries. For example, the share of outbound FDI over the national GDP for Italy is 32,9% lower than the European average (Bank of Italy, 2012).

Some of the obstacles that firms face in entering new geographic markets are related to the lack of knowledge of the target country, in particular for farther countries. Most difficulties are found in Asia, Africa and South America for linguistic and cultural differences, protection of intellectual property and comprehension of local laws (Campagnolo 2013).

The difficulties in entering these markets are corroborated by the results of the research about the target countries of North-East acquirers.

Since 2008 the top destinations have been the U.S. (14% of the total deals), France (13%), Germany (10%) and Spain (5%), while China and India are targeted respectively in 3% and 2% of the total deals.

Over the years, the buyers increasingly acquired in North-America (+34% from 2008-10 to 2013-14) and declined their share in Europe (-33%, same period). The interest for the U.S. and Canada relies in the easiness of conducting business, the presence of a large consumer market and the tax incentives for foreign companies.

As far as the targeted industries, North-East firms acquire mainly in the Industrial Machinery industry (12,7% of the total deals), the Electronic Equipment and Instruments (5,4%) and the Packaged Foods and Beverage (5,4% deals).

The main reasons for the acquisitions are to enlarge the customer base in high-growth countries and to broaden the product range. According to the analysis, the North-East acquirers are mainly large companies with revenues that range from \$250 ml to \$722 ml (on average), well above the €50 ml threshold for defining a “medium enterprise”.

In 2014, the volume of inbound deals in Italy and in the North-East increased compared to the year before (+28,8% for Italy and +23,3% for N.E.) caused by a renewed confidence in the Italian Market despite the overall low attractiveness of the Country. As a matter of fact, Italy presents low scores in the Doing Business indicators (65<sup>o</sup> place on 189 countries, World Bank, 2014) because of the country risk (political and economic instability), inefficient administration and long legal disputes.

Foreign acquirers target the industrial Machinery Industry (15,8% of the total deals), the Apparel, Accessories and Luxury Goods (4,7%) and the Building Products (4,7%).

The share of foreign buyers over the total deals (including domestic) increased from 35,7% in 2008 to 58,3% in 2014 for the Industrial Machinery industry and from 33,3% in 2008 to 50% in 2014 for the Apparel's, indicating a growing interest for the Italian firms leader in their sector and the value of the Italian Fashion.

In the considered period, 77% of the transactions were performed by foreign strategic buyers, with an increasing quota of financial investors: in 2013 and 2014, the financial buyers acquired respectively 29% and 26% of the total inbound deals.

Foreign financial investors can enhance the internationalization process of North-East firms, leveraging their financial resources and the knowledge of their home market.

To understand the motivations behind the increasing interest of Foreign investors in the Industrial Machinery and Apparel industries, the total deals (both inbound and outbound) have been looked up in the secondary sources to find deeper information.

For the industrial machinery's industry, most of the foreign acquirers are strategic (90% of the deals), coming from the U.S. (11 deals) and France (6 deals).

The strategic buyers perform mainly horizontal deals (66% of the total) and only 13% are vertical acquisitions in order to control the supplier of components.

The main motivations for strategic buyers are: broadening products' portfolio (27% of the deals), acquiring technology & know-how (26%) and market-share expansion (19%).

Foreign investors in the industrial industry acquire companies with high technological level, either to broaden and complete their product offerings or to have a toehold in the European Market.

The Apparel and Fashion industry is the second top targeted industry, both at the Italian level and in the North-East regions. The market is consolidating as big fashion groups acquire smaller companies to complement their existing product portfolio and to create platforms of luxury by exploiting synergies and diversify the risk (such as LVMH and Kering Group).

On the other hand, financial investors seek brands with high growth potential to be captured in fast-growing economies or favour turnaround situations. 85% of the deals were closed by foreign financial investors, attracted by the solidity of the Italian business and by the potential of the Fashion & Luxury industry in the geographical expansion. As a matter of facts, the need of financial resources to start and enhance the international expansion is the top motivation for 83% of the inbound deals, and the geographical markets where all the Apparel and Luxury firms mean to enter are Asia, the Middle-East and Russia.

The distressed condition of the target company is the second top motivation for one third of the deals, followed by the additional management skills (25%) and the synergies with other investments of the financial investor (25%).

For the outbound deals, cross-border M&A in the Fashion industry are a prerogative of large North-East firms (i.e. Safilo and Calzedonia) that pursue mainly vertical integration strategies, both at the supply and distribution side. North-East firms, in particular in the underwear and accessories categories, aim to acquire local retailers in order to control and manage directly the distribution, granting a more effective brand development. 83% of the acquisitions are vertical, as Fashion companies tend to offer a vertical structure completely integrated in order to guarantee the quality of the products, the control of the brand and higher margins.

The vertical integration is realized both at the supply and at the distribution side, even though the last one prevails in 58% of the deals. Entering in a new geographical market for commercial reason affects 50% of the deals, targeting countries in Europe such as Austria and the UK and overseas realities such Hong Kong (toehold for the Chinese Market), Australia and Mexico.

## ***2. Critical points and further research steps***

This dissertation has shown that the North-East firms attract foreign buyers for their high specialization, the product offerings and the value of the Italian fashion brands. It has also shown a polarization of North-East companies between large companies that perform internationalization strategies, and small-medium enterprises that pursue lighter form of entry. In order to improve the attractiveness of the North-East regions for the foreign investments and the internationalization strategies for the local firms, the following ideas are proposed:

### 1. Economic policies to improve the attractiveness

To attract more foreign investments, it should be reduced the Italian country risk and the cost of doing business. Policy-makers should improve the crucial areas for the attractiveness, such as granting a reliable legal system, reducing criminality and corruption, improve the efficiency of the local administration and the easiness to conduct business (in terms of quality of institutions and efficiency in solving legal disputes).

### 2. Enhancing the internationalization

Since the main barriers to the internationalization are the lack of knowledge of the target country and lack of financial resources, a solution could come from foreign financial investors, that can leverage their knowledge of the home market to favor the international expansion of North-East enterprises.

Moreover, to cross cultural and linguistic differences, academic institutions should train global managers and family-businesses should favour the renewal of managerial competences.

This analysis has extensively illustrated the cross-border M&A situation in the North-East of Italy, but there are some areas that can be analysed in more detail.

Possible further research steps of this work could be: to analyse the performance of the North-East target and acquirer after the cross-border acquisition; to understand the potential interest of foreign financial buyers in North-East medium enterprises and to assess the impact of managerial skills in the international expansion.



# Appendix

## Summary of Industrial Machinery's Inbound deals

Industrial Machinery		Year of Closed deal		Target		Buyer		Buyer Type		Country foreign counterpart		Transaction			Acquirer's		Value Creation motivations	
												Value (EURmm, Historical rate)	Percent Sought (%)	Revenue (USDmm, Historical rate)	Target's revenues (USD mm)	Number of Employees Buyer	Number of Employees Target	Type of deal
1	2014	F.I.A.C. S.p.A.	United States	-	100	-	-	Strategic Buyer	United States	-	100	-	11000	1	Horizontal	-	2 <sup>o</sup> acquisition for the Hayssen group in Italy; leveraging capabilities and experiences to gain a competitive advantage in the global flexible packaging market, broadening the product portfolio, efficiency synergies in sales and post-sales assistance.	
2	2014	SCHIB PACKAGING SRL	United States	-	100	-	10,9	Strategic Buyer	United States	-	100	-	280	39	Horizontal	-	For RF Biocides: expanding production and distribution in new geographic area (expansion strategy) For STALAM: acquiring new customers in an adjacent sector by implementing the RF technology in the food industry	
3	2014	STALAM S.p.A.	United States	1,14	28,5	-	8,9	Strategic Buyer	United States	-	28,5	-	-	29	Horizontal	-	Corporate restructuring, vertical integration (supply side), supplier control	
4	2014	Mangiarotti S.p.A.	United States	-	100	-	77,9	Strategic Buyer	United States	-	100	-	12800	357	Vertical	-	Market expansion in the US (American fund) and East Europe Market, support the existing management	
5	2014	Gruppo Fabbri Vignola S.p.A.	United States	-	51	-	81,7	Financial Buyer	United States	-	51	-	-	271	Financial Buyer	-	For Carraro: divestiture not strategic assets for focusing on the core business and improve financial position; for the financial investor: synergies with the subsidiary Herzog (operational, know-how, strategic realignment), solid base for a further growth	
6	2014	Gear World S.p.A.	Germany	28	100	-	2,8	Financial Buyer	Germany	-	100	-	-	380	Financial Buyer	-	increasing market share in the cleaning machines, Cooperation before, bereavement of the owner (family succession)	
7	2014	ISAL s.r.l.	Germany	-	100	-	1,8	Strategic Buyer	Germany	-	100	-	-	46	Horizontal	-	Partnership before, strengthening share in the disinfection business, technology-leader in the cleaning-water solutions	
8	2013	ISIA S.p.A.	Denmark	-	100	-	4,2	Strategic Buyer	Denmark	-	100	-	1000	12	Horizontal	-	strategic realignment (presence in key international markets for supporting Cameron's international growth strategy), new products: expansion in the downstream industrial valve offering, sold by private equity fund	
9	2013	Douglas Chero S.p.A.	United States	14,9	75	-	9049,2	Strategic Buyer	United States	-	75	-	29000	107	Horizontal	-	strategic-asset seeking, broadening technology supply and product portfolio (the deal adds thermoforming to Wifag-Polytype's extensive portfolio of packaging-related equipment)	
10	2013	OMV Machinery Srl	Switzerland	-	100	-	12,4	Strategic Buyer	Switzerland	-	100	-	-	46	Horizontal	-		

# of deal	Closed Date	Target	Buyer	Buyer Type	foreign counterparty	Transaction Value	Sought (%)	Revenue (SUSDmm.)	revenues		Employees	Type of deal	Value Creation motivations
									Buyer	Target			
24	2011	Bilfinger Water Technologies	Bilfinger Water Technologies GmbH	Strategic Buyer	Germany	65	80	-	13,4	400	123	Horizontal	Market expansion, adding products in its current portfolio in water and waste treatment, family-owned business
25	2011	Comec-Binder S.r.l.	Binder+Co AG	Strategic Buyer	Austria	-	100	104,43	2,8	373	1	Horizontal	To consolidate and expand in new markets, to ensure the technological superiority of the machineries
26	2011	Savio Macchine Tessili S.p.A.	Alpha Group; Intesa Sampaolo S.p.A.	Financial Buyer	France	300	100	-	416,3	-	423	Financial Buyer	Support the existing management team and develop international presence
27	2011	Itaiproject S.r.l.	Sanovo Technology A/S	Strategic Buyer	Denmark	-	100	-	24,4	75	45	Horizontal	Market expansion (robot and automation), expand existing product line, innovate products
28	2011	SCM Frigo Group S.r.l.	Beijer Ref AB	Strategic Buyer	Sweden	-	100	813,43	0,4	2194	1	Horizontal	Broadening products' portfolio with standard products as well as customer-adapted solutions, new technology.
29	2011	Uniflair S.p.A.	Schneider Electric SE	Strategic Buyer	France	-	100	24583,25	115,9	163033	500	Horizontal	expand existing product lines, new know-how, geographic expansion (solid presence of Uniflair in emerging economies like India and China)
30	2010	Blue Box Group S.r.l.	Swegon AB	Strategic Buyer	Sweden	44	100	-	66,0	500	250	Horizontal	Swegon's product range and will further improve Swegon's position as a unique supplier of comprehensive solutions and systems in the ventilation and air conditioning sector, Blue Box Group's cooling technology will open up new business opportunities
31	2010	Petroncini Impianti S.p.a.	Bühler AG	Strategic Buyer	Switzerland	-	-	-	8,7	3373	41	Horizontal	With this technology-driven partnership, Bühler is strengthening its position in the medium and top coffee market segments
32	2010	M.A.IND. S.r.l.	Johnson Screens, Inc.	Strategic Buyer	United States	-	100	-	-	800	22	Horizontal	horizontal acquisition, industry expansion (no info)
33	2010	Itaco S.r.l.	KSB Aktiengesellschaft	Strategic Buyer	Germany	-	80	2299,8	3,6	16480	-	Vertical	Technology development, R&D, former partnership
34	2010	ALFA LAVAL PARMA S.r.l.	Alfa Laval Corporate AB	Strategic Buyer	Sweden	6,28	100	-	8,7	100	25	Horizontal	Strengthen market position within the food business, strategic realignment (extend product range), entry in new
35	2010	Antonelli Spa	Xuzhou Bohui Science and Technology	Strategic Buyer	China	-	60	-	7,2	-	74	Horizontal	Company restructuring (revenues down 70% in 2008; crisis in the real estate sector), no data
36	2009	Fama Srl Poclair Hydraulics	Montebalito, S.A.); Sifatec Poclair	Strategic Buyer	Spain	0,85	100	-	3,7	-	-	-	Joint Venture (no info)
37	2009	Industriale Srl	HYDRAULICS France SAS	Strategic Buyer	France	-	-	-	18,2	524	108	Horizontal	spin-off of Comer (for focus on and expanding its core business of mechanical transmissions and mechatronic solutions),

# of deal	Closed Date	Target	Buyer	foreign counterpartary		Transaction Value	Sought (%)	Revenue (\$USDmm.)	revenues		Employees Target	Type of deal	Value Creation motivations
				Buyer Type	counterparty				Buyer	Buyer			
38	2009	I.M.A. Industria Macchine Automatiche S.p.A	Mandarin Capital Management SA; China Development Bank Capital Co., Ltd	China	33,35	6,75	-	155,0	-	3758	Financial Buyer	Rapid growth in the Asian Market (in particular pharmaceutical market), presence in China with an institutional alliance and not industrial; expansion in the Tea market	
39	2009	A.W.M. Spa	Sidenor Holdings S.A. (ATSE:SIDE)	Greece	2,6	34	2394,24	19,6	2789	63	Horizontal	new products development and broadening products portfolio), know-how	
40	2009	Vertical S.r.l 1	Franklin Electric Co., Inc.	United States	15	75	745,63	-	4400	124	Horizontal	Supplier of pump components, market-share expansion	
41	2009	Industries S.r.l., Port Equipment Businesses	Terex Germany GmbH & Co KG; Terex Italia S.r.l.	Germany	155	100	-	-	-	-	Horizontal	Growth opportunity in the intermodal transportation area of infrastructure, expanding strategy in related product areas and is a natural extension	
42	2009	INDUSTRIE P.U.M.A. S.r.l	Borodino JSC	Russia	30	60	-	56,3	353	1	-	Family Succession (no info)	
43	2008	Tecnomet S.R.L.	Hyva Group B.V. BAVARIA	Netherlands	-	100	-	-	1257	32	Vertical	Vertical integration strategy. It will enable Hyva to source a larger part of its internal requirement in-house as well as becoming	
44	2008	Faral S.p.A 70% in	Industries Group AG	Germany	-	100	691,21	-	5377	-	Financial Buyer	Corporate restructuring, profitable option	
45	2008	Meccanica Marcon Srl &	CJSC Siberian Agrarian Holding	Russia	-	100	-	-	-	-	-	-	
46	2008	Rossi S.p.A. Techno	Habasit AG	Switzerland	-	11	-	190,7	3300	717	Horizontal	Efficiency-seeking, former partnership tissue, pharmaceutical and personal products industries, which make it a logic fit to FlexLink as a provider of production logistics solutions to the manufacturing industry	
47	2008	Graham Packaging Company Italia Srl	FlexLink AB	Sweden	-	100	-	-	-	102	Horizontal	-	

## Summary of Industrial machinery's outbound deals

# of deal	Year	Target	Buyer		Buyer Type	Country foreign counterpart	Total Transaction Value (€EURmm, Historical rate)	Percent Sought (%)	Acquirer's Revenue (\$USDmm, Historical rate)		Target's Revenue (\$USDmm, Historical rate)		Target LTM Financials - EBITDA (\$USDmm, Historical rate)		Number of Employees (Latest) [Buyer]	Number of Employees (Latest) [Target/Issue]	Classification of M&A	Value Creation motivations
			Buyer	Target					Revenue	Historical rate	Revenue	Historical rate	EBITDA	Historical rate				
1	2014	Oakley Industrial Machinery Incorporated	CSM Machinery S.p.A.		Strategic Buyer	United States	-	100	-	-	-	-	-	-	-	-	Horizontal	acquisition of the US competitor, expansion in the American Market
2	2014	ERMO S.A. Polinot Motor Mákina	INGlass S.p.A.		Strategic Buyer	France	26,43	95,48	90,85	32,38	5,05	296	180	Horizontal			Horizontal	to create a leading supplier of molds and services with high technological content in all high demanding sector of the plastic molding process, Market expansion in related product, broadening product portfolio.
3	2014	Sunayi ve Ticaret A.S.	Capeni S.p.A.		Strategic Buyer	Turkey	-	50	81,02	-	-	342	-	Horizontal			Horizontal	Strategic Joint-Venture to become the major manufacturers of submerged pumps
4	2013	InnoScan A/S	Stevanato Group S.p.A.		Strategic Buyer	Denmark	-	-	20,31	-	-	96	15	Horizontal			Horizontal	Acquiring new technology for visual inspection
5	2013	Riverside Products, Inc.	Danieli & C. Officine Meccaniche S.p.A.		Strategic Buyer	United States	-	100	3391,50	-	-	11427	-	Vertical			Vertical	broadening product portfolio in the scrap recycling, expansion in US, China and UK
6	2012	RA Jones & Co. Inc.	Coesia S.p.A.		Strategic Buyer	United States	-	100	-	-	-	-	300	Horizontal			Horizontal	Internationalization strategy through organic growth and external lines, acquisition of the leader in the North-American market in the packaging industry
7	2012	Danieli Henschel SAS	Danieli & C. Officine Meccaniche S.p.A.		Strategic Buyer	France	19,28	100	3037,48	-	-	11427	57	Horizontal			Horizontal	broadening recycling product portfolio with the world leader in hydraulic scrap shears, balers, pre-shredders and vertical grinders
8	2012	Innovag AG Takarada	TechnoAlpin SpA		Strategic Buyer	Germany	-	100	-	-	-	148	-	Horizontal			Horizontal	TechnoAlpin specializes in turnkey snow-making systems for outdoors, Innovag is the equivalent for indoor systems, so the acquisition aims to capture synergies in the production systems and to broaden the know-how
9	2012	Industria e Comercio Ltda.	Interpump Group SpA		Strategic Buyer	Brazil	11,97	100	647,01	-	-	3530	-	Horizontal			Horizontal	Market expansion in Brazil, complementary activities between Takarada and Interpump in the oil/dynamic industry.
10	2011	PPT Vision Inc.	Datalogic SpA		Strategic Buyer	United States	3,86	100	563,20	-	-	2444	39	Horizontal			Horizontal	To reinforce the position in the machine vision market, to supply the customers with complete solutions, to broaden the product's portfolio
11	2012	FlexLink AB	Coesia S.p.A.		Strategic Buyer	Sweden	-	100	-	-	-	-	-	Horizontal			Horizontal	FlexLink is the global leader in production logistics, an area of high added value to the acquirer's leading industrial customers, broadening product portfolio

# of deal	Year	Target	Buyer	Buyer Type	Country foreign counterpart	Total Transaction Value		Acquirer's Revenue (\$US Dmn, Historical rate)	Target's Revenue (\$US Dmn, Historical rate)	Target LTM Financials - EBITDA (\$US Dmn, Historical rate)		Number of Employees (Latest)	Number of Employees (Buyer)	Classification of M&A	Value Creation motivations
						(EUR Dmn, Historical rate)	Percent Sought (%)			(EUR Dmn, Historical rate)	(EUR Dmn, Historical rate)				
12	2011	Prang + Partner AG	Zepkas Industries SpA	Strategic Buyer	Switzerland	-	100	-	-	-	-	-	-	Horizontal	Zepkas Industries, through the acquisition of Prang + Partner, will continue their consolidation strategy on the global manufacturing and engineering bearing element technologies market.
13	2011	Climaveneta UK Limited	Climaveneta S.p.A.	Strategic Buyer	United Kingdom	-	100	244,76	-	-	600	38	Vertical	Use purchase of water sealer (Climate UK) Ltd. is a further step in Climaveneta's strategy of growth in key markets, the presence in the UK will ensure a stronger support to its long established independent distribution partners	
14	2011	Lenko Snow Ab	Leimer AG; DEMACLEN KO IT SH	Strategic Buyer	Sweden	-	100	-	-	-	-	10	Horizontal	strategic decision to expand their business to also cover snowmaking	
15	2010	MultiOne Nordic Oy AB	C.S.F. S.r.l.	Strategic Buyer	Finland	-	30	-	-	-	33	-	-	-	No Info
16	2010	FDM GmbH	Piovan S.p.A.	Strategic Buyer	Germany	-	-	8,68	-	-	375	-	Horizontal	growth by external lines, broadening product portfolio, acquiring know-how.	
17	2010	Minda Silca Engineering Ltd.	Silca S.p.A.	Strategic Buyer	India	0,615	15	62,97	-	-	401	325	Horizontal	Kaha subsidiary Silca has increased its stake in the Minda Silca joint venture from 30% to 65% to further strengthen the Minda Silca role in Silca's worldwide manufacturing platform and its position in India's growth market.	
18	2009	Sealift SA	Momi Ascensori S.p.a	Strategic Buyer	France	1,7	80	41,80	-	-	-	-	Horizontal	rapid growth in the french market (new law that requires increasing maintenance in the elevator's system)	
19	2008	Baxi S.A., Burner Factory	Riello S.p.A.	Strategic Buyer	France	-	100	562,86	-	-	1069	-	Horizontal	consolidating market position through the acquisition in France and the establishment of a factory in China; product and process synergies, exclusive supplier for Baxi for 6.5 years	
20	2009	Sirius Machinery AB	Coesia S.p.A.	Strategic Buyer	Sweden	-	100	-	-	-	-	510	Horizontal	acquisition of market share in the packaging industry, broadening product portfolio,	
21	2008	C&D Skilled Robotics, Inc. Universal Dynamics, Inc.	EUROMPIA NTI S.p.A.	Strategic Buyer	United States	-	100	14,47	-	-	45	30	Horizontal	strong synergies in resource management, technologies and product, off-shoring production, sales and support in North-America	
22	2008	Inc.	Piovan S.p.A	Strategic Buyer	United States	-	100	-	-	-	375	-	Horizontal	market expansion in the US, sharing technologies	

# of deal	Year	Target (Company Name)	Buyer	Buyer Type	Country foreign counterpart	Total Transaction Value (€EU Rmm, Historical rate)	Percent Sought (%)	Acquirer's Revenue (\$USDmm, Historical rate)	Target's Revenue (\$USDmm, Historical rate)	Target LTM Financials - EBITDA (\$USDmm, Historical rate)		Classification of M&A	Value Creation motivations
										Number of Employees (Latest)	Number of Employees (Latest)		
23	2008	Edwards Tianji Pharmaceutical Systems Co., Ltd. (Zhuhai) Machinery Manufacturing Equipment Ltd.	Emak SpA I.M.A. Industria Macchine Automatiche S.p.A.	Strategic Buyer	China	2.5	100	375,72	-	-	-	Vertical	supplier control and acquisition of technology low available in the market for the production of cylinders
24	2008	Edwards Tianji Pharmaceutical Systems Co., Ltd.	Ima S.p.A. I.M.A. Industria Macchine Automatiche S.p.A.	Strategic Buyer	China	9	50	667,99	-	-	-	Horizontal	Acquisition of the remaining stake of the JV to strengthen presence in China in the freeze-dry industry, broadening product portfolio
25	2008	IMA LIFE North America Inc.	Ima S.p.A. I.M.A. Industria Macchine Automatiche S.p.A.	Strategic Buyer	United States	36	100	667,99	-	-	-	Horizontal	entering the growing freeze-dry market; technological synergies, broadening products' portfolio

## Summary of Apparel & Fashion's inbound deals

# of deal	Year of Closed Date	Total					Type of deal	Motivations for value creation
		Target	Buyer	Buyer Type	Geographic Location	Transaction Value (€EURmm, Historical rate)		
1	2014	Mariella Burani	Pyrho Investment	Financial Buyer	China	2,6	100	Acquisition by financial buyers, corporate restructuring, market expansion in the Chinese market
2	2014	Forall Confezioni S.p.A.	Mayhoola for Investments S.P.C	Financial Buyer	Qatar	55	65	Corporate restructuring (financial difficulties due to the crisis in the Italian market), geographic expansion in international markets
3	2013	Via Delle perie S.p.A.	Argos Soditic	Financial Buyer	France	-	75	International expansion, additional financial resources, new managerial skills
4	2013	Nute Partecipazioni SpA2	Pacific Capital S.à r.l.	Financial Buyer	Luxembourg	69	100	Bankruptcy sale and corporate restructuring, geographic expansion in China, synergies between the Model agency "Elite World" and the luxury fashion underwear
5	2013	Raffaele Caruso	Fosun International	Financial Buyer	China	-	35	expand internationally (Asian Market) thanks to the home-country competitive advantages of Fosus and the large amount of capitals
6	2013	MCS ITALIA S.p.A.	Emerisque Capital Limited	Financial Buyer	United Kingdom	-	100	market expansion in China, Russia, India and Middle East
7	2013	Marcolin S.p.A., prior to merger with Cristallo Spa2	PAI Partners	Financial Buyer	France	57,06	21,61	International expansion (Europe and United States), long-term agreement with major brands, to strengthen the distribution side
8	2012	Marcolin S.p.A.	PAI Partners	Financial Buyer	France	235,26	78,39	-
9	2012	Twin Set - Simona Barbieri S.p.A.	The Carlyle Group LP (Nasdaq:GS:CG)	Financial Buyer	United States	210 -	0,095	Provide the financial and managerial resources that are necessary to seize the opportunities offered by both the Italian and international fashion markets, partnership with Light Force
10	2012	Coccinelle S.p.A.	E. Land World Company,	Strategic Buyer	South Korea	15,5	100	Expansion in Asian market, synergies between its fashion and retail businesses

# of deal	Year of Closed Date	Total													
		Target		Buyer		Geographic Location		Transaction Value		Target's Revenue					
		Buyer	Buyer Type	Buyer	Buyer Type	Foreign	Local	Historical	Historical	Historical	Historical				
Date	Target	Buyer	Buyer Type	Buyer	Buyer Type	Location	Location	Value (€EURmm)	Value (€EURmm)	Revenue (€EURmm)	Revenue (€EURmm)	Percent Sought (%)	Percent Sought (%)	Type of deal	Motivations for value creation
11	2011	Mandarina Duck S.p.a.	E.LAND Co., Ltd.	Strategic Buyer	Strategic Buyer	South Korea	South Korea	46,68	38,451	100	100	Vertical acquisition	Expansion in Asian market, synergies between its fashion and retail businesses		
12	2011	Clothing Company SpA	JAB Luxury GmbH	Strategic Buyer	Strategic Buyer	Switzerland	Switzerland	110	28,297	100	100	Horizontal	Belstaff has a development plan which will be accelerated with the support of Labelux, notably in the fields of geographical expansion and product extension.		
13	2010	Belfe S.p.a.	E.LAND Co., Ltd.	Strategic Buyer	Strategic Buyer	South Korea	South Korea	103	-	100	100	Vertical acquisition	Expansion in Asian market, synergies between its fashion and retail businesses		
14	2008	Nute Participazio ni SpA1	JH Partners LLC	Financial Buyer	Financial Buyer	United States	United States	-	4,663	30	30	Financial Buyer	Distressed and company restructuring		
15	2008	JECKERSON S.p.A.	Stirling Square Capital Partners LLP	Financial Buyer	Financial Buyer	United Kingdom	United Kingdom	140	82,390	100	100	Financial Buyer	the company has recently launched a strategy of international growth focused on selected export markets, continuing brand extension in Italy		
16	2008	Mosaicon SpA	3i Group plc	Financial Buyer	Financial Buyer	United Kingdom	United Kingdom	128	1,134	49	49	Financial Buyer	favoring international growth in China and India, development of distribution and industrial synergies to value the brands in the emerging markets		



## Summary of Apparel & Fashion's outbound deals

# of deal	Year	Target	Buyer		Buyer Type	Geographic n Value		Total Transaction Value		Acquirer's Revenue (SUSDmm, Historical rate)	Target's Revenue (SUSDmm, Historical rate)	Type of deal	Motivations for value creation
			Buyer	Calzedonia Holding S.p.A.		Foreign Location	Historical rate (€EURmm)	Percent Sought (%)	Historical rate				
1	2014	Calin S.A.	Calzedonia Holding S.p.A.	Strategic Buyer	Greece	11,5	51	-	Vertical integration (distribution side) in Greece				
2	2012	Forall Pacific Limited	Forall Confezioni S.p.A.	Strategic Buyer	Hong Kong	-	60	-	Acquisition of distributors in HK				
3	2012	StyleMark GmbH, Polaroid Eyewear Business	Safilo Group S.p.A.	Strategic Buyer	Switzerland	64,77	100	1472,79	Increase product portfolio with the acquisition of Polaroid Eyewear				
4	2011	textile industry NITEX LLC	Benetton Group SpA	Strategic Buyer	Serbia	3,02	100	2753,01	expanding production facilities in Serbia because of lower production and labor costs and government incentives for foreign firms				
5	2010	Unibest Leather Goods Co. Ltd.	Piquadro SpA	Strategic Buyer	Hong Kong	0,167	50	71,45	acquisition of the Chinese supplier (40% of the total production) to better control the supply chain in terms of efficiency at manufacturing level and currency control.				
6	2009	Hornvale Limited	Nute Participazioni SpA	Strategic Buyer	United Kingdom	-	100	-	With this transaction, La Perla assumes direct management of 12 flagship stores in major department English stores, consolidating the presence in the key area of the fashion world				
7	2009	CTI Clothing Trade Internationala IPIC	Cionti S.r.l.	Strategic Buyer	Bulgaria	-	-	-	Acquisition of supplier based in Bulgaria				
8	2008	Austrian Network of Intimissimi Brand	Calzedonia S.p.A.	Strategic Buyer	Austria	-	70	-	Acquisition of distributors				

# of deal	Year	Target	Buyer	Buyer Type	Geographic n Value		Total Transaction Value (€EURmm, Historical rate)	Percent Sought (%)	Acquirer's Revenue (SUSDmm, Historical rate)	Target's Revenue (SUSDmm, Historical rate)	Type of deal	Motivations for value creation
					Location Foreign Target	Location						
9	2008	CCI Handelsgesellschaft m.b.H.	Calzedonia S.p.A.	Strategic Buyer	Austria	-	-	70	-	-	Vertical	Acquisition of distributors
10	2008	Viktor & Rolf BV	Only The Brave S.R.L.	Strategic Buyer	Netherlands	-	-	-	-	-	Horizontal	partnership for new licencing agreement, strengthening the distribution channels, investments in communication
11	2008	Grupo Sunglass Island	Safilo Group S.p.A.	Strategic Buyer	Mexico	15,04	60	1738,38	-	-	Vertical	developing the international retail expansion in Australia and Mexico in order to strengthen the market position; establishment of a direct distribution network to value the quality and the image of the products.
12	2008	Just Spectacles Pty Ltd.	Safilo Group S.p.A.	Strategic Buyer	Australia	12,6	100	1738,38	-	-	Vertical	(same as above)

## 1. Industrial Machinery Industry

In the following sections there have been reported the information about the cross-border deals in the industrial machinery industry for the North-East regions.

The information about the reasons and motivations behind the acquisition have been found online in various websites, quoted below.

### *1.1 Inbound deals*

(Foreign buyer, target North-East firm)

#### **1. 2014, MAT Holdings, Inc - F.I.A.C Spa**



*Type of deal:* Horizontal

*Motivations:* no info disclosed, probably toehold in the European market

“FIAC Spa operates in the air compressor business, with a spread presence in the international markets (plants in Brazil, Russia, China, France, UK).”

“MAT Industries, LLC engineers and markets air compressors, pneumatic driven air tools and pressure washers for distribution throughout North America. With in-house product development, engineering, sales and packaging design teams, PEG is uniquely positioned to customize products to meet the individual needs of customers and global markets.”

<http://www.industrialairusa.com/aircompressors.php>

#### **2. 2014, Hayssen Inc. - Schib Packaging srl**



*Type of deal:* Horizontal acquisition

*Motivations:* 2° acquisition for the Hayssen group in Italy; leveraging capabilities and experiences to gain a competitive advantage in the global flexible packaging market, broadening the product portfolio, efficiency synergies in sales and post-sales assistance.

“In support of a major horizontal wrapper systems growth initiative, Hayssen Flexible Systems recently acquired Schib Packaging S.r.l., based in Monte di Malo (Vicenza), Italy. Schib is a leading-edge company in the production of horizontal flow-wrapping machines as well as automatic feeders and automated wrapping systems. **The combined organization leverages capabilities and experiences to gain a competitive advantage in the global flexible packaging market.**”Duncan, USA — 10 ottobre 2014 — Mike May, presidente di Hayssen Flexible Systems, ha annunciato, a supporto del processo di crescita in atto, l'acquisizione di Schib Packaging S.r.l., azienda italiana con sede a Monte di Malo, in provincia di Vicenza, all'avanguardia nella produzione di macchine confezionatrici orizzontali di tipo flow-pack, di sistemi di alimentazione e linee di confezionamento automatiche. Le capacità e l'esperienza di queste due realtà costituiranno un sicuro vantaggio competitivo nel mercato mondiale dei sistemi di imballaggio flessibile.

Schib Packaging è attiva dal 1968 e negli anni ha sviluppato applicazioni non solo per l'industria alimentare e dolciaria, focalizzandosi nel confezionamento di caramelle, biscotti e prodotti da forno, ma anche per il settore no-food, con soluzioni per prodotti destinati alla cura della persona e della casa, e per il settore dei componenti industriali. Schib, grazie a macchine la cui tecnologia è tuttora ineguagliata per flessibilità e performance, conta su una rete di clienti in oltre 40 Paesi.

Come sottolinea lo stesso May, "le soluzioni Schib Packaging permetteranno di ampliare ulteriormente la gamma dei prodotti Hayssen Flexible Systems, garantendo anche nel futuro un supporto sempre migliore ai nostri clienti in tutto il mondo. L'operazione ci permette di sfruttare le esperienze e le conoscenze acquisite dalle due aziende negli anni: mentre continueremo a costruire solide relazioni con i clienti, fornendo loro soluzioni per imballaggi flessibili di comprovata qualità, siamo certi che la gamma di prodotti Schib avrà un effetto immediato su quella che sarà la nostra presenza sul mercato del confezionamento."

Tecla Schizzarotto, precedente titolare dell'azienda e figlia del fondatore, continuerà a gestire le attività della sede di Monte di Malo: "Siamo davvero entusiasti di unirvi a una realtà come quella di Hayssen Flexible Systems. Questa fusione ci permette di offrire ai nostri clienti capacità ancora superiori, proponendoci come partner globale di sistemi di imballaggio con una vasta gamma di macchine e soluzioni, una rete di vendita ancora più estesa e un team di assistenza accresciuto."

[http://www.schib.it/docs/Hayssen-Flexible-Systems-Announces-Acquisition-of-Schib\\_IT.pdf](http://www.schib.it/docs/Hayssen-Flexible-Systems-Announces-Acquisition-of-Schib_IT.pdf)

### 3. 2014, RF Biocidics, Inc - Stalam SpA



*Type of deal:* Horizontal partnership

*Motivations:*

For RF Biocidics: expanding production and distribution in new geographic area (expansion strategy)

For STALAM: acquiring new customers in an adjacent sector by implementing the RF technology in the food industry

“Vacaville, CA (March 11, 2014) - RF Biocidics, a leading food safety company that provides an environmentally friendly and chemical-free alternative for disinfection and disinfestation, announced today that it has formed a strategic partnership with **STALAM, a global leader in the manufacturing of radio frequency (RF) equipment.**

In the past 12 months, RF Biocidics has moved quickly to expand its international footprint, reaching agreements to implement systems in the Middle East, South America and Australia. This new partnership will **make STALAM the exclusive manufacturer of RF Biocidics' Apex product series**, which offers a versatile, standalone disinfestation and pasteurization system for loose bulk as well as packaged food commodities.

**The partnership will provide both companies with an opportunity to accelerate the adoption and implementation of RF technology in the food industry.** With more than three decades of experience in serving the industry with diversified RF technologies, STALAM has developed the widest and most advanced range of industrial RF drying and thermal processing equipment, and has the capacity to efficiently design and manufacture machines customized for the food industry. The RF Biocidics team offers extensive experience in the development of food processing systems, and has a distinct understanding of how RF can be utilized safely, and effectively, across a range of products in the food industry.

“RF Biocidics is committed to providing our customers with advanced systems that help to protect the safety of our global food supply without compromising the taste and quality of food products. We are very pleased that we will be able to **expand, and enhance, our ability to support our global clientele through this unique partnership with STALAM,**” said Craig Powell, Chief Executive Officer of RF Biocidics.

RF Biocidics provides an alternative to how food safety is currently handled with the goal of eliminating issues before they can occur in the first place. The company offers an organic, chemical-free system for eliminating pathogens, pests and fungi from food and other commodities. Its unique disinfection and disinfestation system

can be used in a broad range of applications, including food safety, agriculture, import/export compliance, and wood and wastewater treatment.

The RF Biocidics system achieves reliable pathogen control, high throughput efficiency, and cost-effective performance. It surpasses well beyond the requirements for food safety in the United States, and does so with minimal to no degradation of the sensory and quality characteristics of the commodity, such as the flavor, color, texture or skin integrity. Based in Vacaville, California, RF Biocidics is a subsidiary of Allied Minds, a dedicated technology company with headquarters in Boston.

“By joining forces with RF Biocidics, STALAM will be able to extend to a new market the high-quality RF systems that have been the hallmark of our company for more than 30 years,” said Enrico Zanetti, Managing Director of Vicenza, Italy-based STALAM. “This partnership will allow us to build on an opportunity, in addition to our established RF applications in the post-baking drying of biscuits and in the defrosting of frozen food products.”

STALAM is a member of CONFINDUSTRIA (the General Confederation of the Italian Industry), as well as ACIMIT (the Association of Italian Manufacturers of Machinery for the Textile Industry), and has established long-term collaborations with leading European machinery manufacturers for the development of innovative industrial processing technologies and turnkey, automated and integrated production lines.

#### **About RF Biocidics**

*Sector:* chemical-free food disinfection

RF Biocidics is a fast-growing company providing an environmentally friendly, chemical-free alternative for disinfection (pasteurization) and disinfestation of food and other commodities. This novel, organic treatment system has a broad range of applications, including food safety, agriculture, import/export compliance, and wood and wastewater treatment. RF Biocidics designs, develops and operates treatment systems on behalf of its customers worldwide. RF Biocidics is an Allied Minds company headquartered in Vacaville, California. [www.rfbiocidics.com](http://www.rfbiocidics.com)

#### **About STALAM**

Established in 1978, STALAM is a world leader in the development, design and manufacturing of radio frequency (RF) equipment for the drying and thermal processing of raw materials, intermediate and finished industrial products. The company offers the widest and most advanced range of industrial radio frequency equipment, which enable their users to obtain significant operational benefits, including reduced operating costs, high flexibility and reliability. More than 1,800 STALAM machines are in operation in over 50 countries. More information about Vicenza, Italy-based STALAM can be found at [www.stalam.com](http://www.stalam.com)

#### **About Allied Minds**

Allied Minds is a dedicated technology company that deploys capital to form, fund, manage and build companies based on market-creating technologies developed at renowned U.S. universities and federal research institutions. Allied Minds serves as a diversified holding company that supports its businesses with capital, management and shared services. More information about the Boston-based company can be found at [www.alliedminds.com](http://www.alliedminds.com)

<http://www.stalam.it/news/strategic-partnership.html>

## **4. 2014, Westinghouse Electric Company LLC - Mangiarotti Spa**

*Motivations:* Corporate restructuring, vertical integration (supply side), supplier control

SEDEGLIANO, ITALIA, 23 settembre 2014 – Westinghouse Electric Company LLC, una società del gruppo Toshiba, ha annunciato oggi di aver completato l’acquisizione della Mangiarotti S.p.A., un produttore di componenti per l’industria nucleare, petrolifera e gasiera con sede in Italia.

“La Mangiarotti diventa oggi parte della Westinghouse e del gruppo Toshiba: ci si aspetta che questo cambiamento acceleri le opportunità sul mercato dell’energia per la Westinghouse, attraverso la catena di **fornitura dei componenti per l’industria nucleare, petrolifera e gasiera**”, ha affermato Danny Roderick, Presidente e Amministratore Delegato della Westinghouse. “Lavoreremo insieme per fornire le competenze e la qualità che la nostra clientela globale si aspetta da noi”.

“Svolta storica dunque per questa azienda, leader mondiale nel settore nucleare, che si sviluppa tra la sede storica di Pannellia di Sedegliano e il nuovo stabilimento di Monfalcone, che ha comportato pochi anni fa un investimento milionario. Con prospettive ora di «migliorare le qualità industriali sotto il segno della sicurezza,

della qualità e dell'efficienza», così spiega Rick Gabbianelli, vice presidente senior della Westinghouse ora nominato presidente del Consiglio di amministrazione; un Cda nel quale siederanno tre rappresentanti giapponesi e un italo-francese.”

[http://www.mangiarotti.it/download/WestinghouseMangiarotti\\_092314\\_Italian.pdf](http://www.mangiarotti.it/download/WestinghouseMangiarotti_092314_Italian.pdf)

## 5. 2014, Gruppo Fabbri-Vignola - Lincolnshire Management, Inc.

*Type of deal:* Financial Buyer

*Motivations:* Market expansion in the US (American fund) and East Europe Market

“Il fondo Lincolnshire Management ha acquisito il 51% del Gruppo Fabbri Vignola dalla famiglia Chiarva (tramite la holding Stella Partecipazioni), da IGI sgr (tramite il Fondo IGI Investimenti Quattro) e dagli imprenditori tedeschi Holger Van Den Heuvel (tramite la holding San Luca). I vecchi azionisti manterranno il 49% del capitale dell'azienda che produce e distribuisce macchinari e pellicole per il confezionamento dei prodotti alimentari e riviste (scarica qui [il comunicato](#)).

L'operazione è stata finanziata da Banca Popolare dell'Emilia Romagna, Cariparma Crédit Agricole e GE Capital Interbanca. Mediobanca è stato advisor finanziario di IGI e Chiarva. Lo Studio Di Tanno&Associati ha supportato infine IGI sul fronte fiscale. Per il newyorkese Lincolnshire Management, che ha condotto l'operazione tramite il fondo Lincolnshire Equity Fund IV, si tratta della prima acquisizione in Italia.

Il controllo di Fabbri era passato dalla famiglia Fabbri a IGI sgr (42,86%), la famiglia Chiarva (28,57%) e ai soci tedeschi (28,57%) nel 2011. In due anni la società ha identificato un nuovo amministratore delegato (Elisabetta Oliveri), rinnovato il team management e completato una profonda fase di ridefinizione dei processi aziendali, concentrando prevalentemente in Italia la produzione.

Il gruppo ha chiuso il 2013 con un fatturato consolidato di 93 milioni di euro, conta 500 dipendenti e 150 brevetti internazionali, ed è presente in oltre 70 Paesi, operando con tre stabilimenti produttivi (Italia e Svizzera) e cinque filiali commerciali (Italia, Francia, Germania, UK, Svizzera).”

Source: <http://bebeez.it/2014/05/06/fabbri/>

### **“Finanza: Igi Sgr e gruppo Chiarva cedono quota Gfv a Lincolnshire”**

MILANO (MF-DJ)--Igi Sgr e il Gruppo Chiarva hanno ceduto una partecipazione al Fondo Lincolnshire Equity Fund IV, gestito da Lincolnshire Management Inc., nel Gruppo Fabbri Vignola ("GFV") rafforzandone l'attuale compagine azionaria. Si tratta, si legge in una nota, di una delle prime operazioni italiane per il fondo americano Lincolnshire che, a seguito del perfezionamento dell'acquisizione, detiene una quota rilevante del capitale. Igi Sgr, attraverso il Fondo Igi Investimenti Quattro, e il Gruppo Chiarva avevano acquisito il 100% di Gfv dalla Famiglia Fabbri nel 2011 e oggi restano azionisti del gruppo. Gfv, attivo nella produzione di macchine e film per il food packaging, conta circa 500 dipendenti e 150 brevetti internazionali, e' presente in oltre 70 paesi e opera attraverso 3 stabilimenti produttivi (Italia e Svizzera) e cinque filiali commerciali (Italia, Francia, Germania, Regno Unito e Svizzera). **"Siamo felici di questa operazione che proietta il Gruppo Fabbri nella prossima fase di sviluppo con l'assistenza di Lincolnshire. Prevediamo di crescere principalmente nei mercati esteri quali Usa ed Est Europa.** Il Gruppo Fabbri e' un'azienda gestita in modo sempre piu' professionale oltre che imprenditoriale e questo approccio ci permettera' di continuare ad accelerare lo **sviluppo tecnologico** per assicurare che Gruppo Fabbri rimanga il leader di settore", ha commentato Elisabetta Oliveri, amministratore delegato di Gfv. L'operazione, finanziata da B.P.E.Romagna, Cariparma Cre'dit Agricole e GE Capital Interbanca, e' la terza perfezionata da Igi in soli cinque mesi, dopo l'acquisto del controllo del Gruppo Rollon realizzato lo scorso novembre insieme a Chequers Capital e la cessione della quota detenuta in Valvitalia al Fondo Strategico Italiano del gennaio 2014. "Abbiamo investito in Fabbri per gestire il processo di managerializzazione e sostenerne l'internazionalizzazione, obiettivi raggiunti in meno di tre anni durante i quali il Gruppo ha migliorato in modo sensibile la redditività. Restiamo azionisti al fianco di un partner internazionale del calibro di Lincolnshire perche' crediamo nei manager che guidano l'azienda e nella possibilità di crescere sui mercati esteri insieme a Lincolnshire", ha dichiarato Matteo Cirila, managing partner di Igi Sgr. **"Abbiamo perseguito diverse opportunità in Italia da svariati anni e siamo riusciti ad investire insieme a dei soci con una reputazione eccezionale. Al loro fianco siamo fiduciosi di poter realizzare un piano di ulteriore sviluppo di una azienda con un grande passato e con un futuro che siamo certi sarà ancora migliore.** Il management team guidato da Elisabetta Oliveri e' tra i migliori che abbiamo mai incontrato e per questo abbiamo piena fiducia nelle loro capacità di supportare ulteriormente lo sviluppo e la crescita del Gruppo

Fabbri", ha concluso Ottavio Serena di Lapigio, managing director di Lincolnshire Management. com/murrosario.murgida@mfdowjones.it (fine) MF-DJ NEWS 0611:26 mag 2014

Source: [http://www.corriere.it/notizie-ultima-ora/Economia/Finanza-Igi-Sgr-gruppo-Chiarva-cedono-quota-Gfv-Lincolnshire/06-05-2014/1-A\\_012234988.shtml](http://www.corriere.it/notizie-ultima-ora/Economia/Finanza-Igi-Sgr-gruppo-Chiarva-cedono-quota-Gfv-Lincolnshire/06-05-2014/1-A_012234988.shtml)

## **6. 2014, Finatem Beteiligungsgesellschaft - Gear World S.p.A.**

Type of deal: financial buyer, Management Buy-Out

*Motivations:* For Carraro: divestiture not strategic assets for focusing on the core business and improve financial position; for the financial investor: synergies with the subsidiary Herzog GmbH (operational, know-how, strategic realignment), solid base for a further growth.

*Activity:* Development, production and marketing of small- to medium-sized series volumes of gear wheels and gearboxes mainly for the power tool, outdoor equipment, automotive and material handling technology.

Carraro SpA signs a binding agreement between MG Mini Gears, company owned by the Carraro Group, and the German fund Finatem for the sale of the miniGears activities in Padova, Italy and Suzhou, China. The two activities will align to Finatem's subsidiary Herzog GmbH. The transaction includes the sale of the business branch focused on the production and operational activities of the Mini Gears plant in Padova and of the entire stake held in the company MG Mini Gears Suzhou Ltd. The transaction is expected to be completed by May 31. The total value is about 28 mln euros.

### **“Carraro cede le attività non strategiche di miniGears**

Rimangono all'interno del Gruppo gli stabilimenti che producono ingranaggi destinati al core business. Entro il 31 maggio gli stabilimenti di miniGears passano al fondo tedesco Finatem, controllante la società Herzog GmbH, specializzata nella produzione di ingranaggi. Per lo stabilimento padovano di miniGears si aprono nuove opportunità di mercato all'interno di un percorso di crescita indipendente. L'operazione contribuirà all'ulteriore miglioramento della posizione finanziaria del Gruppo. Con una sede principale a Padova, ed una operativa a Suzhou (Cina), miniGears è specializzata nella produzione e commercializzazione di ingranaggi di piccole dimensioni – prevalentemente sinterizzati – destinati a diversi settori: dall'automotive al gardening professionale, agli elettrotensili. Al 31.12.2013 i due stabilimenti impiegano complessivamente 526 collaboratori (di cui 280 a Padova) e sviluppano un fatturato complessivo di 69,8 milioni di Euro.

**Finatem III GmbH & Co. KG è un società di private equity indipendente con sede a Francoforte, con attualmente più di 250 milioni di Euro in gestione. Finatem è specializzata nell'acquisizione di partecipazioni di maggioranza in società con potenziale di crescita, con l'obiettivo di supportare l'espansione di ciascuna azienda.** All'interno dei propri investimenti industriali detiene il controllo di Herzog GmbH specializzata nella produzione di ingranaggi light-duty. L'acquisizione di Minigears rappresenta di conseguenza uno scenario estremamente favorevole in termini di mercati applicativi, di tecnologie di produzione e di linee prodotto, fornendo una solida base per un'ulteriore crescita.

Il valore complessivo della transazione (Enterprise Value) è pari a circa 28 Milioni di Euro corrispondente ad un multiplo di circa 10,4x l'EBIT 2013 del perimetro oggetto dell'operazione.

<http://www.reuters.com/finance/stocks/CARRA.MI/key-developments/article/2954860>

[http://www.carraro.com/media/u/file/2014/cs\\_270314\\_ita.pdf](http://www.carraro.com/media/u/file/2014/cs_270314_ita.pdf)

## **7. 2014, Kärcher Group - ISAL srl**



*Motivations:* Horizontal acquisition, increasing market share in the cleaning machines, consolidation of the position in Italy (4 factories), Cooperation before, bereavement of the owner (family succession)

## **Kärcher acquires Italian sweeper manufacturer ISAL**

**17th of January 2014**

Kärcher has acquired Italian sweeping machine manufacturer and metal component producer ISAL, based in Correggio, Italy. The takeover deal has been signed, but the purchase price is not being disclosed.

Kärcher says the two companies have been working together for over 10 years in the development of industrial sweepers. Following a **bereavement** in ISAL's owner family, it stepped in to acquire a 100 per cent stake. ISAL will continue to run as an independent business at its current location.

"Our many years of cooperation with ISAL have been marked by great mutual appreciation and respect," said chief executive officer and chairman of the management board Hartmut Jenner. "By taking this strategic decision we are raising the bar of our competence in sweeping machine production still higher, and creating a solid foundation for long-term growth. The corporate culture of ISAL as an innovative family-run firm also fits in with us very well."

<http://www.europeancleaningjournal.com/magazine/articles/latest-news/krcher-acquires-italian-sweeper-manufacturer-isal>

## **Shopping tedesco in Italia: il gigante Kaercher compra l'emiliana Isal**

di [Nataschia Ronchetti](#) 18 gennaio 2014

Correggio (Reggio Emilia) – Il gigante tedesco Kaercher, leader mondiale nella produzione di macchine per la pulizia domestica e professionale, sbarca a Correggio, in provincia di Reggio Emilia, e acquisisce il 100% delle quote di Isal, media impresa (46 dipendenti) che opera nel settore delle spazzatrici e delle componenti meccaniche. Un'operazione strategica che porta a quattro gli stabilimenti controllati in Italia dal gruppo di Winnenden, tra gli impianti di Valpiano, nel Torinese, Montereale Valcellina, in provincia di Pordenone, e Quistello, nel Mantovano.

**E che soprattutto spalanca le porte, alla multinazionale tedesca, di un rafforzamento nel cleaning con un incremento delle quote di mercato nel settore delle macchine industriali spazzanti e delle macchine multifunzione per le utility.** "Il nostro obiettivo – spiega Giovanni Probo, amministratore delegato della filiale commerciale italiana di Rho, in Lombardia – è **quello di rafforzare la nostra presenza soprattutto nell'Est Europa**, a partire dalla Russia, dove assistiamo a crescite a due cifre". L'acquisizione non avrà effetti sull'occupazione, tutti i posti di lavoro della Isal verranno mantenuti. Per Kaercher si tratta della seconda importante acquisizione in Emilia nell'arco di pochi anni. A pochi chilometri di distanza controlla già la reggiana Leuco, che produce pompe. La nuova tappa nell'espansione del gruppo tedesco, che nel mondo conta 10.700 dipendenti e ha superato l'anno scorso il tetto dei 2 miliardi di ricavi, è stata favorita da un rapporto di decennale collaborazione con Isal per la linea di produzione delle spazzatrici industriali. In Italia, dove può contare su un organico costituito da circa un migliaio di addetti, il gruppo è stato intaccato dalla recessione nel 2012, anche se con un contenimento della perdita di fatturato.

Ora è arrivato il cambio di rotta. "Nel 2013 – spiega Probo – abbiamo consolidato le nostre posizioni e gettato le basi della ricrescita". Una crescita su scala globale. Isal, nata nel 1974, è specializzata nella produzione di spazzatrici per le multiutility. Tra i clienti annovera aziende di pulizia e servizi, industrie ed enti pubblici. Un settore nel quale Kaercher vuole rafforzarsi soprattutto nei nuovi mercati dell'Europa orientale. Il gruppo è presente in 60 diversi Paesi, con impianti produttivi in Germania e Italia ma anche in Messico, Brasile, Stati Uniti e Cina. Si avvale di una rete di 50mila centri di assistenza ed è presente sul mercato italiano dagli anni Settanta. La partnership tra l'azienda di Correggio e il gruppo di Winnenden per lo sviluppo delle spazzatrici industriali era iniziata oltre dieci anni fa. L'accordo prevede che Isal continui l'attività nella sua storica sede della provincia reggiana.

ISAL s.r.l. manufactures and markets industrial power sweeping machines. It offers manual pushing sweepers, traction sweepers, and vacuum sweepers for urban cleaning. The company also offers spare parts. It offers its products and after sale services through a network of distributors. The company was founded in 1974 and is based in Correggio, Italy. As of January 16, 2014, ISAL s.r.l. operates as a subsidiary of Karcher Beteiligungs-GmbH.

<http://www.ilsole24ore.com/art/impresa-e-territori/2014-01-18/shopping-tedesco-italia-gigante-kaercher-compra-emiliana-isal-174316.shtml?uuid=ABlJxeq>

## **8. 2013, Grundfos A/S - ISIA Spa**





*Type of deal:* Vertical acquisition (supply side)

*Motivations:* Partnership before, strengthening share in the disinfection business, technology-leader in the cleaning-water solutions

*Activity:* Grundfos , ISIA (water disinfection)

#### **Grundfos acquires ISIA S.p.A.**

Disinfection is a business where Grundfos has been present for years. As an element in strengthening this position, ISIA and Grundfos has been partners for some time - and now this ends up with Grundfos acquiring ISIA. ISIA will continue to serve their present markets – mainly Middle East - and provide support and solutions in markets served by Grundfos.

Group Executive Vice President Peter Røpke, who is responsible for product and technology development in the Grundfos Group sees a huge potential in ISIA:

- ISIA is a technology-leader in their business. ISIA has the ability to innovate interesting and efficient solutions within the use of chlorine dioxide to disinfect and clean water. I am happy to welcome ISIA's technologies, market position, competences and skilled staff as a part of the Grundfos Group and our portfolio. **I am absolutely sure that our joint efforts will provide groundbreaking technology and solutions.**

Francesco Maia, co-founder of ISIA, sees great potential by becoming a part of Grundfos:

- Our ideas and solutions can be spread out on even more markets and be integrated in bigger systems and applications across the globe. I am proud that Grundfos sees the potential and quality in our work and will enjoy being a part of it in the future.

The two main characteristics of ISIA are a skilled experience in industrial plant process control and automation and a chlorine dioxide powerful technology for water treatment. Since 2000 ISIA has perfected a rich experience in design, realization, start-up and field assistance of industrial plants process control and automation.

At the same time ISIA has developed a multi-purpose water treatment technology based on the feature of the chlorine dioxide as oxidant and biofouling controller. ISIA water treatment package, designed on the customer needs, spaces from the Industrial water services (i.e. Cooling water, Raw water) to the Civil water services (Potable water).

<http://isiasistemi.it/news/grundfos-acquires-isia-spa.html>

## **9. 2013, Cameron International Corporation - Douglas Chero SpA**



*Type of deal:* horizontal

*Motivations:* strategic realignment (presence in key international markets for supporting Cameron's international growth strategy), new products: expansion in the downstream industrial valve offering

“L'operatore di private equity Consilium SGR annuncia la cessione della propria partecipazione del 75% in Douglas Chero, società attiva nella produzione di valvole forgiate, filtri e scaricatori per il settore oil&gas. L'acquirente è il gruppo Cameron, multinazionale quotata al NYSE e leader mondiale nel settore con un fatturato di oltre 8 miliardi di dollari.

Douglas, fondata nel 1974 a Carpaneto Piacentino (PC), è tra i principali operatori nella produzione di valvole forgiate di piccole dimensioni per l'attività di raffinazione. La società fattura circa 30 milioni di euro di cui il 90% realizzato all'estero e lavora prevalentemente su progetto. I clienti sono tutte le principali società di ingegneria che operano come general contractor per la realizzazione di impianti petrolchimici e di produzione dell'energia.

<http://www.milanofinanza.it/news/consilium-cede-75-douglas-chero-al-gruppo-cameron-201308051153235179>

Douglas Chero, a Cameron acquired company, was established in 1974 to meet the demand for high quality forged valves and piping equipment in the petroleum refining and production plants, offshore oil and gas fields, power industry, fertilizer, chemical and desalination plants all over the world.

Production capacity soared from 3,000 pieces in 1974 to current 50,000 pieces per month in our new factory with modern state of the art machining facilities and manufacturing technology.

The factory covers 25,000 sqm (278,000 sqft) of which 12,000 sqm (133,000 sqft) are covered.

[http://www.valveworldexpo.com/cipp/md\\_valve/custom/pub/show\\_lang,2/oid,938/xa\\_nr,2340078/~Web-ExhDatashet/exh\\_datashet](http://www.valveworldexpo.com/cipp/md_valve/custom/pub/show_lang,2/oid,938/xa_nr,2340078/~Web-ExhDatashet/exh_datashet)

On August 1, 2013, Newco Valves, LLC (NEWCO), A Cameron Joint Venture Company, completed the acquisition of Douglas Chero Spa, a forged gate, globe and check valve manufacturer located in Piacenza, Italy. Douglas Chero also manufactures strainers, steam traps, forged pressure seal valves and specialty urea valves.

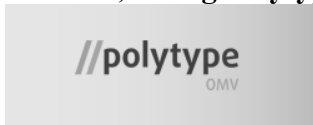
According to Jesse Jones, Vice President and General Manager of the NEWCO joint venture company, Douglas Chero was founded 31 years ago and is respected throughout Europe, the Middle East, Africa and parts of Asia Pacific for providing quality valves and responsive customer service. Douglas Chero's strong reputation in **these key international markets supports Cameron's international growth strategy and expands the downstream industrial valve offering.**

<http://www.valvesandsealing.com/pages/posts/cameron-acquires-douglas-chero-959.php>

Cameron International Corporation (Cameron), incorporated on November 10, 1994, provides flow equipment products, systems and services to global oil, gas and process industries through three business segments, Drilling and Production Systems (DPS), Valves & Measurement (V&M) and Process & Compression Systems (PCS). The DPS segment includes businesses that provide systems and equipment used to drill, control pressures and direct flows of oil and gas wells. The V&M segment includes businesses that provide valves and measurement systems primarily used to control, direct and measure the flow of oil and gas as they are moved from individual wellheads through flow lines, gathering lines and transmission systems to refineries, petrochemical plants and industrial centers for processing. The PCS segment includes businesses that provide standard and custom-engineered process packages for separation and treatment of impurities within oil and gas and compression equipment and aftermarket parts and services to the oil, gas and process industries. In 2013, Cameron and Schlumberger Limited joined together to form OneSubsea, a venture established to manufacture and develop products, systems and services for the subsea oil and gas market. Cameron is a 60% owner and manager of OneSubsea.

<http://www.reuters.com/finance/stocks/companyProfile?symbol=CAM.N>

## 10. 2013, Wifag Polytype Holding - OMV Machinery Srl



*Type of deal:* Horizontal acquisition

*Motivations:* strategic-asset seeking, broadening technology supply and product portfolio (the deal adds thermoforming to Wifag-Polytype's extensive portfolio of packaging-related equipment).

### Swiss machinery group Wifag-Polytype buys thermoforming equipment maker OMV

Swiss industrial conglomerate Wifag-Polytype Holdings Ltd. has purchased Italian thermoforming machinery maker OMV Machinery srl.

Wifag-Polytype, based in Fribourg, Switzerland, runs a global group of companies that makes **production lines for aluminum and steel aerosol containers**, beverage bottles, tubes and sleeves, plastic cup and lid printing machines, coating lines for flexible packaging and films/foils, and newspaper and book printing machines. The privately held group employs 1,200. OMV, based in Verona, Italy, employs 45.

In a deal announced July 17, Wifag-Polytype bought OMV shares from Verona-based ISAP Packaging SpA.

Terms were not disclosed.

OMV, founded in 1963, makes high-output thermoforming equipment and integrated lines, including extruders and tooling. The company has been known for its large-platen thermoforming machines, but in recent years has targeted food packaging and in-mold labeling.

Officials of OMV and Wifag-Polytype were not immediately available for comment.

**The deal adds thermoforming to Wifag-Polytype's extensive portfolio of packaging-related equipment.**

Polytype makes dry offset printing machines that can print from six to nine colors on plastic cups and lids.

Its other plastics-related equipment includes machinery to make tubes and sleeves for packaging. Wifag-Polytype also manufactures coating and laminating equipment for flexible packaging applications such as barrier film, metalized paper, labels and tapes, blister foils and backsheets for solar cells.”

<http://www.plasticsnews.com/article/20130717/NEWS/130719926/swiss-machinery-group-wifag-polytype-buys-thermoforming-equipment-maker-omv>

“OMV, fondata nel 1963, è una società conosciuta a livello mondiale come produttore di linee complete di termoformatura di alta capacità e qualità, adatte alla produzione di tutti i tipi di contenitori, coperchi, piatti ed altri oggetti in plastica rigida. Con il suo organico di circa 45 dipendenti, OMV è in grado di offrire soluzioni complete, inclusi stampi, estrusori, calandre, termoformatrici ed apparecchiature ausiliarie.

Con questa acquisizione, **//polytype amplia la propria offerta tecnologica aggiungendo la termoformatura a complemento delle proprie apparecchiature di stampa e decorazione.** Questo passo permette di dare al mercato una proposta unica integrata per la produzione di tutti i tipi di contenitori per alimenti e bevande, oltre a prodotti per il mercato non alimentare.

E' ora possibile ottenere, da un solo fornitore, soluzioni complete che permettono di creare colore, forma e convenienza per prodotti termoformati.

[http://omvgroup.com/immagini/PR-polytype-20130717-OMV\\_i\\_01.pdf](http://omvgroup.com/immagini/PR-polytype-20130717-OMV_i_01.pdf)

## 11. 2013, Westeel Limited - PMT Srl



*Type of deal:* horizontal acquisition

*Motivations:* geographic expansion strategy in the overseas markets (already operations in Madrid and Mumbai), establishment of a manufacturing platform in Europe, acquisition of know-how (engineering and manufacturing skills in terms of handling and plant design)

0/05/2013

### **Westeel Acquires Ptm**

PTM announces the acquisition on May 10<sup>th</sup> by VICWEST Inc, a company listed on the Toronto Stock Exchange Market, within its division WESTEEL.

Since 1905 WESTEEL has manufactured steel silos and liquid storage tanks.

With this acquisition WESTEEL continues **to pursue its expansion strategy in the overseas markets**, that was started by the opening of operation offices in Madrid and Mumbai. At the same time Westeel **has acquired extensive engineering skills in terms of handling and plant design.**

PTM boasts in fact a well-established expertise related to the engineering and manufacturing of a broad range of flour and grain handling systems as well as of large plants for the storage of cereals and oilseeds.

Thus, WESTEEL and PTM will deliver a more comprehensive offer in terms of products and services combined with cutting-edge engineering solutions and outstanding quality standards.

<http://www.ptmtechnology.com/p/eng/news/d/8/westeel-acquires-ptm-2>

## Vicwest Inc. Acquires European Grain Handling Systems Manufacturer

OAKVILLE, ON, May 10, 2013 /CNW/ - Vicwest Inc. (the "Company") (TSX: VIC, VIC.DB) today announced that its Westeel division has gained important new capabilities to serve its global agricultural customers through the strategic acquisition of PTM Technology of Este, Italy.

A profitable private company founded in 1994, PTM Technology engineers, designs and manufactures a broad range of automated grain handling systems including chain, bucket and belt conveyors, grain sampling and dust collection equipment. PTM's highly engineered, value-added products complement Westeel's market-leading family of grain storage systems and enable Westeel to deliver a more comprehensive offering to its global customer base in over 30 countries.

"Though small in scale, this acquisition is transformational for Westeel in that it positions us as one of a few integrated, turn-key suppliers of core grain storage and handling systems in the world with full control over proprietary intellectual property," said Colin Osborne, President and CEO of Vicwest Inc. **"Not only does this transaction provide us with our first manufacturing platform in Europe, it is also a meaningful step in the execution of our stated strategy for growth.** PTM Technology dramatically improves our competitiveness in global agriculture markets."

PTM has 30 skilled employees, including extensive engineering capability, and operates a 41,000 square foot flexible manufacturing facility with a high degree of plant automation, and integrated information and proprietary on-line quoting systems. Its current configuration provides a meaningful opportunity for volume expansion without significant capital investment.

**"Combining our product lines as well as our engineering capabilities creates significant synergies for both businesses, driving increased sales, allowing Westeel to capture more margin on international projects, and offering a more integrated solution to our North American customer base,"** said André Granger, President of Westeel. "We are particularly pleased to welcome Antonio Marchetti, Gigliola Zizioli and the entire PTM team to Westeel. We have worked side-by-side on customer projects in the past and these experiences give us full confidence in our ability to quickly achieve deep product and operational integration."

With its sales and engineering capability in Madrid, newly opened office in Mumbai, and now PTM, Westeel continues to build critical mass in key overseas markets, and position itself as one of a handful of companies that will benefit from the secular trend for continued investment in post-harvest infrastructure on a global basis.

The acquisition was funded through the Company's revolving credit facility. Terms of the acquisition were not disclosed.

### About Vicwest Inc.

Vicwest Inc. is a leading North American manufacturer and distributor of engineered storage and handling systems for grain, fertilizer and liquid storage as well as building construction products for agricultural, institutional, commercial, industrial and residential markets. We operate through two strategically aligned divisions: Vicwest Building Products and Westeel. With approximately 7,000 customers, 1,200 dedicated employees and 34 business partners, the Company is positioned for growth in domestic and international markets. Vicwest Inc. is a member of the S&P/TSX SmallCap Index. For more information, visit [www.vicwestinc.com](http://www.vicwestinc.com).

<http://www.vicwestinc.com/news/view/763863>

## 13. 2009 & 2012, Poclairn Hydraulics France SAS - Poclairn Hydraulics Industriale Srl (formerly Comer)



*Motivations:* Horizontal acquisition, spin-off of Comer (for focus on and expanding its core business of mechanical transmissions and mechatronic solutions), for Poclairn Hydraulics opportunity to expand its hydraulic system portfolio (new range small axial pumps)

### Comer and Poclairn Form New Hydraulics Company

Posted on December 15, 2009

Comer Industries Spa and Poclairn Hydraulics have completed the spin-off and purchase of the Fluid Power

Division. The newly incorporated company, named Poclair Hydraulics Industriale Srl will become effective Dec. 15, 2009. The majority of its share capital will be held by Poclair Hydraulics SA, which will also take the full management control of the operations.

Poclair Hydraulics Industriale Srl will be headquartered in the existing location in Gaggio di Piano, Modena, Italy, and employ a total of 91 people including engineering, manufacturing and related functions.

The distribution of its range of axial piston pumps and motors will be managed by the worldwide PH Sales and Distribution organization.

Comer Industries will maintain a minority share position with a planned exit in the years to come, and will also maintain collaboration with PH Industriale for the supply of axial piston motors incorporated into the range of its transmissions.

**The spin-off and joint venture of this business was driven by Comer Industries' decision to focus on and expand its core business of mechanical transmissions and mechatronic solutions for industrial machines and wind turbines, while giving the opportunity to its former Fluid Power Division to expand through the expertise and organization of Poclair Hydraulics, which is a specialized and leading company in the hydraulic sector.**

The company said, **this acquisition is an opportunity for the French Group Poclair Hydraulics to expand its hydraulic system portfolio.** The company can now offer a new range small axial pumps and motors which target working functions for mobile machines, for the construction, agriculture and handling markets.

<http://www.dieselprogress.com/December-2009/Comer-and-Poclair-Form-New-Hydraulics-Company/>

#### 14. 2012, Altrad Sa - Officine Bragagnolo Srl

*Motivations:* horizontal acquisition, innovative technologies (no much info)

15-10-2012

Eversheds advised Altrad in the acquisition of Officine Bragagnolo

Eversheds Bianchini advised Altrad SA, a company operating for over 30 years in the field of construction equipment, in the acquisition of the entire business of the company Officine Bragagnolo Srl Altrad group, through its various brand names - Mefran, Atrad Saint Denis, Con-mix, Plettac, Fort, Vabor, Lescha, Liv and Bellegroup - develops extensive activities in scaffold hire and erection, both in the industrial sector and in the building trade.

Officine Bragagnolo srl has been operating on the Market for more than 50 years, with its innovative technologies, quality research from design to production, its competitiveness together with an avant-garde range of products make this company a leader in Italy and Europe.

<http://www.eversheds.com/global/en/what/publications/shownews.page?News=en/italy/en/Eversheds-Bianchini-advised-Altrad-in-the-acquisition-of-Officine-Bragagnolo>

#### 15. 2012, BJME (China) – SAFOP SpA



MACCHINE UTENSILI

*Motivations:* horizontal acquisition, strategic realignment (expansion/internationalization strategy in the European market, products diversifications)

##### **BJME Completes Acquisition of Italian SAFOP Company**

On July 30, BJME successfully completed the procedures of acquiring Italian SAFOP Company; Chief Engineer Du Xudong signed the acquisition contract on behalf of BJME, and delivered a speech at the ceremony of transaction completion ceremony to officially announce that SAFOP had become a subsidiary of BJME. Joining of SAFOP, and the German WACO and Italian C.B. Ferrari that had been acquired earlier formed an important part of the **internationalized BJME Group**, which would be good for BJME and European machine tool industry's mutual complementarity of respective advantages, **richer product lines, and coordination.** In addition, European machine tool industry would also benefit from BJME's Chinese market and customers, and

get help for its own development. Chairman Wang Xu of Beijing North First CNC Machine Tool Co., Ltd. and General Manager Becker of BMJE European Company attended the ceremony of acquisition completion.

SAFOP Company, founded in 1925 in Pordenone of Italy, is the world's famous manufacturer of heavy duty horizontal lathes. Currently SAFOP has totally 111 employees.

As the world's famous manufacturer of heavy duty CNC machine tools, **SAFOP boasts a marketing network that covers European and Asian regions**, and has 13 agencies in the world. SAFOP's products and services are divided into two categories: One is the machine tools for the industries of energy, oil, paper making, iron and steel, heavy machines, aerospace, and ship building; the other is the machine tools for processing railway wheel sets, and turn-key contracted service projects of wheel set processing. Thanks to its strong design and technical capability in the market of customized machine tools, and rich experience in machine tool manufacturing, **SAFOP has established itself as the world's famous heavy duty horizontal lathe manufacturer** with leading technologies.

[http://www.jcmeh.com/templates/en\\_T\\_articel/index.aspx?nodeid=247&page=ContentPage&contentid=2083](http://www.jcmeh.com/templates/en_T_articel/index.aspx?nodeid=247&page=ContentPage&contentid=2083)

“Alla fine dello scorso mese di luglio è stato perfezionato l’acquisto dell’intero pacchetto azionario dell’italiana Safop, tra i leader di mercato nella costruzione di macchine utensili dopo quasi 90 anni di esperienza nel settore, da parte della cinese Beijing Jingcheng Machinery Electric Holding Co. Ltd. Si tratta di un’azienda statale di proprietà della municipalità di Pechino, attiva nel medesimo settore tramite la consociata Beijing N°1 (tra le quattro maggiori in Cina nel campo), oltre che in quelli dell’industria elettromeccanica e della generazione di energia, già protagonista di numerose joint venture con partner internazionali e con un fatturato per il 2011 di circa 2,3 miliardi di euro.

Un contratto strategico, quindi, portatore di numerose novità all’interno di questa storica azienda, che ha sede dal 2007 a Pordenone, dove si trova lo stabilimento produttivo (24mila mq di cui 8.300 coperti) oggi interamente orientato alla costruzione di macchine utensili per la lavorazione di particolari di grandi dimensioni, con una forte specializzazione nei torni orizzontali e nel settore ferroviario.

Il fatturato è pari a 25 milioni di euro, con una quota di export che raggiunge il 95%. Anche il management è stato rinnovato. Ci siamo perciò fatti illustrare dal nuovo Amministratore Delegato, Pietro Motta, tutti i dettagli dell’operazione e gli obiettivi a breve-medio termine: *"Questa Holding cinese ha acquisito negli ultimi sette anni altre aziende in Europa, come noi, di elevato livello tecnologico: nel 2005 la tedesca Waldrich Coburg, molto nota per le sue grandi fresatrici e quindi con un tipo di produzione e clientela analogo a Safop, e nel novembre 2011, come prima acquisizione sul mercato italiano, la C.B. Ferrari, specializzata invece nella costruzione di fresatrici/centri di lavoro di taglia medio-piccola destinati a settori di grande specializzazione: si va dalla lavorazione dei cinque assi agli stampi per la meccanica di precisione. Motivo fondamentale dell’acquisizione di Safop è permettere al Gruppo, sia a livello di Holding sia di Beijing N°1, di avere un ulteriore prodotto da offrire nel pacchetto: viene così completato un percorso strategico di completamento della gamma prodotto, che permette alla multinazionale di raddoppiare il fatturato nei prossimi anni".*

[http://www.techmec.it/News-Economia/Articoli/Safop--nuovi-proprietari,-stessa-qualita\\_20121217.aspx](http://www.techmec.it/News-Economia/Articoli/Safop--nuovi-proprietari,-stessa-qualita_20121217.aspx)

## 16. 2012, CIBRIA A/S - SEA Srl

*Motivations:* horizontal acquisition, strategic realignment (broadening product range in the optical sorting ranges, thus completing Cimbria's product line-up), strengthening market position

Since 2012 SEA company has become part of **CIBRIA A/S** Danish industrial group of companies, having their headquarters in Thisted, Denmark. With that acquisition, **the optical sorting ranges and other electronic solutions will integrate Cimbria mechanical sorting machinery**, so completing the working diagram for different products. Thanks to that acquisition, SEA can count on an enhanced and deep-rooted sales net in the international markets, allowing SEA to have a considerable growth both in terms of profits and of new markets penetration.

This is also why, in May 2013, SEA moved its headquarters into a new industrial area of 4500 mq dedicated to production area, laboratories, testing room, offices and management.

<http://www.seasort.com/en/azienda.htm>

Press Release May 2012 **Cimbria broadens its product range through acquisition of Italian enterprise SEA**  
Cimbria has reached an agreement with the group of owners behind Italian company SEA to acquire 100 percent of the shares in the company. SEA is a leader in the development and manufacture of sorting equipment for sorting grain, seeds and other industrial products by means of colour or resonance. SEA primarily sells its equipment in Europe. With the acquisition of SEA, Cimbria's range of mechanical sorting equipment will be supplemented by optical colour sorting and other electronic solutions, thus completing Cimbria's product line-up. Such an acquisition is very much in line with Cimbria's strategy **aimed at strengthening the company's product and market position via organic and acquisitive initiatives**. It is the company's first acquisition since Axcel became the majority shareholder at Cimbria in August 2011.

In 2011 SEA had a turnover of approximately DKK 70 million and a profit ratio of approximately 20 percent. The company expects to see growth in both sales and earnings this year. SEA has around 35 employees at its factory in Imola in northern Italy. SEA's technology has applications in several fields, including the food industry, recycling and seed corn. SEA's hitherto owners will continue to look after the day-to-day management of the company. "With more than 40 years' experience in the market, SEA is recognised today for its excellent quality in the field of optical sorting and other electronic sorting technologies, and the company represents a good fit in relation to Cimbria's aim to supply high-quality products and full-line solutions within seed corn plants and other industrial products," says Karsten Larsen, managing director of Cimbria. "At the same time, we're convinced that in years to come SEA's products will meet a growing demand driven by stricter requirements in terms of quality and documentation within precision sorting," concludes Karsten Larsen.

"I'm convinced that we can develop and boost SEA's activities significantly by becoming a member of the Cimbria group, for the benefit of both customers and suppliers," says Antonio Uzzo, managing director of SEA and the company's founder. "**We now have the potential to grow and attract new customers by means of the strong market position of the combined company,**" he adds.

[http://www.cimbria.com/Files/ForumV2/pdf%20for%20news%20section/Press\\_release\\_GB\\_Cimbria\\_acquires\\_SEA.pdf](http://www.cimbria.com/Files/ForumV2/pdf%20for%20news%20section/Press_release_GB_Cimbria_acquires_SEA.pdf)

## 17. 2012, SPX Corporation – Seital srl



*Type of deal:* vertical acquisition

*Motivations:* strategic realignment (new capabilities, efficiency increase by exploiting SPX's global resources and market capabilities), supplier of disk centrifuges

### **Further Expands SPX Flow Technology Systems Capabilities and Product Offerings**

CHARLOTTE, N.C., March 21, 2012 /PRNewswire/ -- SPX Corporation (NYSE: SPW) today announced that its Flow Technology segment has acquired **Seital S.r.l, a leading supplier of disk centrifuges (separators and clarifiers)** to the global food and beverage, biotechnology, pharmaceutical and chemical industries. The terms of the transaction were not disclosed.

Founded in 1983 and based in Santorso, Italy, Seital has approximately 50 employees and exports its products to more than 80 countries. Seital's disk centrifuges (separators and clarifiers), rotary brush strainers and hydrocyclones, and standardizers are used primarily by customers in the food and beverage industry. Applications include dairy, wine, beverages and essential oils, as well as oils and fats.

"Seital is a very well-respected manufacturer of high quality separators, clarifiers and other components that play a critical role in a wide array of food and beverage processing systems and other flow processes," said Don Canterna, segment president, SPX Flow Technology. "When combined with SPX's global resources and market capabilities, this acquisition creates growth opportunities across our food and beverage systems and product portfolios."

Seital's core technologies cover the clarification of liquids, separation of liquids, concentration, recovery of solids, and extraction of substances.

#### About SPX

Based in Charlotte, North Carolina, SPX Corporation (NYSE: SPW) is a global Fortune 500 multi-industry manufacturing leader with more than \$5 billion in annual revenue, operations in more than 35 countries and approximately 18,000 employees. The company's highly-specialized, engineered products and technologies serve customers in three primary strategic growth markets: infrastructure, process equipment and diagnostic tools. **Many of SPX's innovative solutions are playing a role in helping to meet rising global demand, particularly in emerging markets, for electricity, processed foods and beverages and vehicle services.** The company's products include thermal heat transfer equipment for power plants; power transformers for utility companies; process equipment for the food & beverage industry; and diagnostic tools and equipment for the vehicle service industry.

<http://investor.spx.com/phoenix.zhtml?c=109366&p=irol-newsArticle&ID=1674857&highlight>

### 18. 2012, Fair Friend Enterprise (FFE) - Jobs Spa

*Type of deal:* horizontal JV

*Motivations:* Excellent technological support of Jobs, broadening portfolio operating synergies (economies of scale), financial synergies (stronger financial position)

#### Jobs sigla una partnership strategica con il gruppo taiwanese FFG

30 gennaio 2012

Jobs ha rinnovato la propria compagine azionaria. Il management Jobs, già socio in precedenza dell'azienda, diventa azionista di maggioranza relativa acquistando, con l'importante gruppo taiwanese FFG, l'intero pacchetto azionario.

Contestualmente, Jobs acquisisce l'80% di Sigma, azienda storica nel settore dei centri di lavoro.

L'operazione Jobs-FFG, di cui Jobs è il polo di aggregazione, è una partnership strategica che mira a coniugare le **eccellenti competenze di sviluppo tecnologico di Jobs con la consolidata internazionalizzazione di FFG**, gruppo che si distingue per essere **il più globalizzato nel settore delle macchine utensili**, con un fatturato di 1.3 miliardi US\$ ed oltre 25 unità produttive dislocate in Taiwan, Giappone, Sud Corea, Cina, USA ed Italia, per complessivi 13 marchi.

Con questa partnership strategica i vantaggi di Jobs saranno:

- maggiore solidità finanziaria che consente di rafforzare i programmi di ricerca e sviluppo di nuovi prodotti e nuove tecnologie applicative
- una più decisa penetrazione sui mercati internazionali
- sinergie industriali che consentiranno di acquisire ulteriore competitività nei costi grazie all'integrazione in un gruppo di grandi dimensioni
- espansione nella gamma dei prodotti
- servizi più efficienti e capillari.

[http://www.jobs.it/jobs2011/ita/news-info-detail?news\\_type=5&news\\_id=22](http://www.jobs.it/jobs2011/ita/news-info-detail?news_type=5&news_id=22)

### 19. 2011, Franklin Electric Co. - Vertical Spa





*Motivations:* vertical acquisition, supplier of pump components, market-share expansion

## **FRANKLIN ELECTRIC ANNOUNCES THE ACQUISITION OF VERTICAL S.p.A., VICENZA, ITALY**

Bluffton, Indiana - January 16, 2009

Franklin Electric Co., Inc. (NASDAQ:FELE), the world's largest manufacturer of **submersible electric motors and a leading supplier of water pumping and fuel pumping systems**, announced today that it has completed the acquisition of seventy-five percent of the outstanding shares of Vertical S.p.A. ("Vertical"), for cash. Franklin Electric expects the transaction to be accretive to its earnings per share in 2009. Vertical, headquartered in Dueville (Vicenza - Italy), had 2008 net revenues of approximately 20 million Euros.

Vertical specializes in the design, development and manufacture of pressed and welded stainless steel pumps and pump components.

R. Scott Trumbull, Chairman and Chief Executive Officer of Franklin Electric, stated. "Vertical has world class stainless steel fabrication and design capabilities. Franklin has a strong global water systems distribution network and can now partner with Vertical to **address the growing worldwide demand for stainless steel water pumps**. In anticipation of this investment, Franklin has already initiated projects in the Americas and Asia to introduce stainless steel pumps produced by Vertical. In Europe, Vertical will continue to supply components to its pump original equipment manufacturer customer base, many of whom are already valued customers of Franklin Electric. Of course we are pleased that Flavio Rigon, Vertical's current Managing Director, and Davide Perin, Vertical's current Director of Sales and Marketing, will continue to lead the Company in partnership with Franklin's European management team."

Franklin Electric is a global leader in the production and marketing of systems and components for the movement of water and automotive fuels. Recognized as a technical leader in its specialties, Franklin serves customers around the world in residential, commercial, agricultural, industrial, municipal, and fueling applications.

[http://www.franklin-electric.com/corporate/investors/corp\\_press\\_release.asp?id=306](http://www.franklin-electric.com/corporate/investors/corp_press_release.asp?id=306)

## **20. 2011, RWL Water Group – Eurotec Srl**



*Type of deal:*

*Motivations:* Horizontal acquisition, acquisition market share, strategic realignment (broadening company portfolio, new expertise)

"RWL Water LLC has acquired a controlling interest in Eurotec WTT, a European manufacturer of wastewater treatment systems. With more than 200 installations, Eurotec, which is headquartered in Padova, Italy, **has engineered and manufactured some of the most complex chemical, food & beverage and biomass treatment facilities in the world. Eurotec's significant market share in the region's wastewater and food processing sectors uniquely** positions the recently formed RWL Water Group to deliver a complete range of water treatment technologies and solutions – from components to full-scale systems – from a single provider serving middle-market industries and municipalities around the world.

Established in 2010 by international businessman and philanthropist Ronald S. Lauder, RWL Water Group is a privately-held holding company focused on creating global water treatment solutions to meet the growing need for clean water worldwide.

**The addition of Eurotec enhances RWL Water Group's portfolio of market-leading water** and wastewater treatment companies that already includes Nirosoft in Israel and Aeromix in the United States. The combined companies give RWL Water Group an installed base in excess of 3,200 water treatment systems in more than 70 countries, spanning densely populated areas, remote communities and complex industrial sites in virtually every region of the world.

“Eurotec is a key acquisition in RWL Water Group’s growth strategy that will allow us to expand our waste-to-energy offerings and provide a singular advantage to middle market customers seeking full-service capabilities to handle their water concerns,” said Ronald S. Lauder, founder and chairman of RWL Water LLC. “The combined strength of the three portfolio companies will allow our customers to access the most competitive water and wastewater treatment offerings specifically designed to meet their needs. Our goal is to help unlock the hidden value in their operations and facilitate the reuse of resources to increase their economic and environmental sustainability.”

In addition to bringing together integrated solutions and management expertise spanning many decades, RWL Water Group will make it easier and more affordable **for middle market industries and municipalities to solve their water problems – whether the project requires design, engineering, construction or operational and maintenance support. The company also offers project financing – a solution that is unique in the middle-market segment – that will make it possible for customers to reduce capital cost.** RWL Water Group’s innovative project finance approach will help offset investment constraints and ensure that projects are developed and installed rapidly, efficiently and cost-effectively. In addition, the company will offer Build-Own-Operate-Transfer (BOOT) and leasing for small- and medium-sized projects.

“Under RWL Water Group, Eurotec will significantly expand its waste-to-energy offerings, as well as its presence in the food processing industry, globally,” said Maurizio Tiarca, managing director and sales manager of Eurotec WWT. “This acquisition offers significant value for our company and provides compelling new opportunities for our customers around the world. As a part of RWL Water Group, we will be able to do even more to innovate and deliver outstanding wastewater treatment solutions.”

<http://www.wwdmag.com/coatings/rwl-water-group-acquires-eurotec-wtt>

## 21. 2011, Hayssen Inc - Simionato Srl

*Type of deal:* horizontal acquisition

*Motivations:* With the integration of Simionato, HayssenSandiacre gains expanded entry into the European, Middle Eastern and South American marketplaces through an established market leader in products that are complementary with HayssenSandiacre’s own offerings.

### “Hayssen Sandiacre Announces Acquisition of Simionato Integrated Packaging System S.r.l.

DUNCAN, S.C. — November 15, 2011 — Michael T. May, president of HayssenSandiacre, announced the stock purchase of Simionato Integrated Packaging System S.r.l., a privately owned, through Vela Capital , manufacturer of integrated flexible packaging systems based in Mestrino, Italy. The combined organization aligns major operation bases in Italy, England and America. With 20,000 machinery installations worldwide and annual revenues approaching \$100 million the organizations bring their combined richness of culture and experience to the global flexible packaging industry.

“The addition of Simionato expands HayssenSandiacre’s range **of flexible packaging equipment solutions as well as our geographical presence in new global markets,**” May said. “By leveraging the products and experiences of our U.S., U.K. and Italian operations, we are confident the Simionato product line will be immediately accretive to the worldwide HayssenSandiacre business model.”

Established in 1963 with the production of a vertical packing machine, Simionato today is a market leader in the design, manufacture and support of integrated packaging systems. With more than 5,000 installations in plants located all over the world, Simionato enjoys a reputation as a quality provider of complete system solutions.

“We are pleased to join HayssenSandiacre as this provides even greater capability to support customers as an enhanced global packaging systems partner with a broad platform of machinery solutions and an expanded network of sales and service team members,” said Monica Pugiotto, who will continue as COO of the Simionato operation in Italy.

With the integration of Simionato, HayssenSandiacre gains **expanded entry into the European, Middle Eastern and South American marketplaces** through an established market leader in products that are complementary with HayssenSandiacre's own offerings. "This strategic combination of organizations and technologies is very much in alignment with our vision of providing system solutions to meet the range of our customer's global operational needs" explained Simon Lagoe, managing director of HayssenSandiacre Europe in Nottingham, U.K.

[http://www.simionato.com/uploads/press\\_releases/press\\_release\\_en.pdf](http://www.simionato.com/uploads/press_releases/press_release_en.pdf)

## 22. 2011, Santex AG - Isotex Spa

*Type of deal:* Horizontal acquisition

*Motivations:* market penetration, know-how sharing, operating synergies in R&D and customer care

### Santex acquires Isotex Engineering

Santex Holding has acquired Isotex Engineering, an Italian company founded in 1957 that specialises in coating, printing and embossing lines and machinery. Isotex has more than 1,500 customers worldwide and its lines cover a wide range of applications including air bags, fibre glass, adhesive and tarpaulin manufacturing. The acquisition is aimed at **extending the market penetration of the Santex Group**. "We are very glad to be part of this important group and to share experiences and know-how with Santex," said Alberto Negro, CEO of Isotex Engineering. "**We foresee great synergies in R&D, customer care and market penetration.** Isotex Engineering and Santex share the mission of keeping the client and his needs at the centre of the company."

"Isotex Engineering has products know-how and a very good reputation," said Stefano Gallucci, President of Santex Holding. "It is another step in our strategy to help clients face the evolving markets with state-of-the-art technologies with proven return on investment." Santex, which has a global presence and operations in Europe and Asia, showcased its machines for textiles and technical textiles at ITMA 2011 held recently in Spain.

(in 2012 Marzotto Family buys all the share of Santex Group)

<http://www.apparelviews.com/article.aspx?sno=288&m=knitting>

## 24. 2011, Bilfinger Water Technologies - Bilfinger Water Technologies srl (former Diemme)



**BILFINGER**

*Type of deal:* horizontal acquisition

*Motivations:* Market expansion, adding products in its current portfolio in water and waste treatment, family-owned business

### Bilfinger Berger acquires leading international filter technology company

September 06, 2011

Bilfinger Berger is expanding its range of services in environmental and water technology, and is acquiring the filter division of Diemme, a globally active specialist manufacturer located in Lugo, Italy. Through its subsidiary, Passavant-Geiger, Bilfinger Berger has been producing chamber filter presses for many years. With the acquisition, the company complements its current portfolio in water and waste treatment and becomes a technological leader in the supply of industrial filter presses.

Diemme Filtration has an annual output volume of around €40 million and is highly profitable. **Bilfinger Berger will acquire an initial stake of 80 percent in the family-owned business** and has an option on the purchase of the remaining 20 percent. The experienced management team will remain with the company. The two parties have agreed not to disclose details of the purchase price. The acquisition is subject to approval from the relevant antitrust authorities.

"**With the new company, we are adding additional client groups, new markets, and a high level of technological competence to our existing business in environmental and water technology**", explains Klaus Raps, the responsible Member of the Executive Board at Bilfinger Berger SE. Diemme is active in more than 20 countries, a number of them in Europe as well as India, Russia and South America, and primarily serves industrial clients while Passavant-Geiger has predominantly served public sector clients in the filter sector.

Bilfinger Berger is investing in a **growth market** with this acquisition. Stricter environmental requirements and enhanced ecological awareness increase the demands placed on the treatment of industrial waste. A rising world population and constant urbanization are leading to new challenges in sewage treatment. New areas of application are also arising in raw material extraction for the oil industry or in the mining sector, for example. Filter presses are used to separate solids from liquids such as industrial sludge or municipal sewage water. In addition, they can assume a number of filtration tasks in production processes for the pharmaceutical, chemical and petrochemical as well as in the coal and steel industries. The services function will be carried out by Passavant-Geiger which remains connected to its client base through long-term maintenance contracts. Environmental and water technology activities are part of Bilfinger Berger Facility Services. The company has many years of experience from over 15,000 installations and is a global leader in vacuum sanitation systems.

<http://www.bilfinger.com/en/press/press-releases/article/article/bilfinger-berger-acquires-leading-international-filter-technology-company/>

## 25. 2011, Binder+Co AG - Comec-Binder S.r.l.



*Type of deal:* horizontal acquisition

*Motivations:* to consolidate and expand in new markets, to ensure the technological superiority of the machineries

“COMEC is a well-known specialist in the field of machinery and complete systems with a focus on comminution, screening and dewatering technologies for processing bulk materials. Machinery and plants are employed in processing construction materials and aggregates, in mining and the recycling industry.

With over 50 years of experience, COMEC is a manufacturer of crushers and a leading supplier in Italy with a powerful sales network in Europe, North Africa and the Middle East. The acquisition of COMEC by Binder+Co AG (on 5 continents pioneer in the fields of processing, environmental and packaging technologies) to form COMEC-Binder S.r.l. set new standards in 2011. **To consolidate the technological lead, to ensure and expand the sustainable technological superiority of the machinery as well as to open up new markets, the fields of expertise of both companies are being combined and synergies made use of.** The advantages for customers are: optimised processes, an expanded product range and improved quality of service.

<http://www.comec.it/en/Unternehmen/unternehmen.php>

## 26. 2011, Alpha Group - Savio Macchine Tessili

*Type of deal:* financial buyer

*Motivations:* support the existing management team and develop international presence

*Industry:* World leader in the production of winding machines and quality control devices for the textile industry

**Alpha buys savio Group:** Alpha of France has acquired the textile machinery producer Savio Group from Iteima Holding. Alpha is looking to support the existing management team and to develop the company’s international presence. **Alpha backed the company because it is well positioned in a growing market.** In the past, Savio has been backed by Intesa Sanpaolo, which acquired the company in 1995 before it was sold to Iteima Holding.

<http://www.indiantextilemagazine.in/emag/october2011/files/assets/downloads/page0055.pdf>

“La bufera finanziaria non ferma il closing dell'operazione Savio, storica società del meccanotessile passata dal gruppo Radici al fondo di private equity italo-francese Alpha, guidato da Edoardo Lanzavecchia. A fine giugno l'accordo, ora il trasferimento delle azioni davanti al notaio. «Tutte le banche – racconta Lanzavecchia – hanno confermato gli impegni presi a giugno e questo significa che considerano l'operazione un

buon investimento. Di questi tempi ottenere credito non è affatto scontato e altre operazioni di questo genere non se ne vedono». L'accordo, che avviene interamente per cassa, vale 300 milioni di euro, 162 a debito, il resto equity del fondo Alpha (al 90%) e di Intesa Sanpaolo (al 10%). Se sul fronte creditizio nazionale rispetto a giugno il clima è cambiato in peggio, per quanto riguarda Savio, 1.350 addetti in otto stabilimenti, due dei quali in Italia, è accaduto esattamente il contrario. «Le previsioni di chiusura 2011 – spiega Lanzavecchia – sono state aumentate da 400 a 450 milioni di ricavi con un Ebitda che supererà i 90 milioni, il 15% in più rispetto alle stime precedenti». Determinante per questi risultati, che vedono i ricavi balzare del 35%, è il boom dell'export asiatico, che rappresenta il 90% del fatturato globale del gruppo. «È un anno spettacolare – aggiunge Lanzavecchia – anche se ora ci attende un rallentamento. La nostra visione è quella di un soft landing, ogni dieci anni il settore mostra un periodo di ridimensionamento fisiologico e l'anno prossimo ci attendiamo una lieve frenata. Le prospettive del gruppo restano però ottime e in Cina abbiamo una leadership ormai consolidata».

Il debito legato all'operazione è già stato sindacato presso sette istituti di credito italiani, con un costo medio di 400 punti di spread oltre l'Euribor. «Le banche – aggiunge Lanzavecchia – hanno valutato con favore il deal anche perché le nostre stime future sono realistiche, e il percorso di crescita della società avviene su basi solide». L'operazione è la prima realizzata (almeno in parte) utilizzando le risorse del nuovo fondo Alpha 6, in fase di chiusura: l'obiettivo di raccolta di 800 milioni complessivi da parte di investitori istituzionali europei dovrebbe concludersi con successo entro l'avvio del 2012.

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<http://www.ilsole24ore.com/art/economia/2011-11-12/alpha-rafforza-savio-081449.shtml?uuid=Aa4pAsKE>

## 27. 2011, Sanovo Technology Group - Italproject s.r.l.

*Type of deal:* horizontal acquisition

*Motivations:* market expansion (robot and automation), expand existing product line, innovate products

“Facing an ever growing customer base that requires new, increasingly sophisticated capital equipment, Sanovo Technology Group sees the need for continuing expansion and innovation to provide the best and most efficient solutions possible. In early 2011, the company acquired Italy-based Italproject, a global supplier of robots and automation for end-of-the-line process with over 40 years of industry experience.

The acquisition grows out of the need to **expand its existing product line**, coinciding with surging demand for end-of-the-line automation from larger customers. **"Our customers are growing and doing something we don't have in our product range, so we have to acquire in order to add value to them.** The addition of Italproject is just a natural progression in our business strategies," el Molaka explains.

Besides offering complete "Pack to Rack" precise packaging solutions, the acquisition of Italproject allows Sanovo to enter **the business of robots and automation** on a world- wide scale. This gives the company a platform not only in the egg industry, but the entire food industry supply chain. This is in line with Sanovo's long-term vision to move beyond its egg handling and processing systems. In fact, the company has already leveraged the processing technology expertise it developed for egg handling to expand into diverse fields. These include capital goods used in the manufacturing of specialised vaccination equipment, poultry processing equipment, livestock enzymes and their yeast inputs. **The resulting synergies also enabled Sanovo to greatly enhance the functionality and productivity of its egg handling products and analysing equipment.**”

<http://www.sanovogroup.com/media/stg/FEED Business - SANOVO An ideal company for t.pdf>

## 28. 2011, Beijer Ref AB - SCM Frigo Group



*Type of deal:* Horizontal acquisition

*Motivations:* Broadening products' portfolio with standard products as well as customer-adapted solutions, new technology.

**“Beijer Ref AB: Acquisition of SCM Frigo strengthens the transition to environment-friendly refrigeration technology**  
MALMÖ, Sweden--(BUSINESS WIRE)

The Swedish refrigeration group, Beijer Ref AB, is acquiring the remaining 49 per cent of the shares in the Italian SCM Frigo Group, a leading manufacturer in Europe of refrigeration units based on environment-friendly carbon dioxide technology. SCM Frigo, established in 1979, exports around 85 per cent of its products and has a strong market position within the rapidly expanding segment for environment-friendly refrigeration technology. The company reports sales of approximately SEK 240M and has 90 employees.

“Beijer Ref acquired 51 per cent of SCM Frigo in 2011 as it is one of the European companies which most successfully drives the transition to environment-friendly solutions within the refrigeration industry. The company’s development has since been so positive that our Group now elects to bring forward the option to acquire the remaining portion, says Per Bertland, CEO of Beijer Ref. ‘With its unique technical competence within, for example, trans-critical carbon dioxide based refrigeration systems, SCM Frigo is included as an important part in Beijer Ref’s future strategy”.

**SCM Frigo supplements Beijer Ref’s other product portfolio with standard products as well as customer-adapted solutions with the market’s most up to date environmental technology. This is expected to strengthen the Group’s competitiveness.** SCM Frigo’s company management will continue to work in the company.

Frigo, which since 2011 has been consolidated in accordance with the acquisition method, will be included as fully consolidated without a minority share in Beijer Ref’s accounts from Q3 2014.

Beijer Ref is a technology-oriented trading Group which, through added-value products, offers competitive solutions for its customers within refrigeration and climate control.

<http://finance.yahoo.com/news/beijer-ref-ab-acquisition-scm-113700269.html>

## **29. 2011, Schneider Electric SE - Uniflair S.p.A**

*Type of deal:* horizontal acquisition

*Motivations:* expand existing product lines, new know-how, geographic expansion (solid presence of Uniflair in emerging economies like India and China)

### **Uniflair is now Schneider Electric**

Uniflair specializes in the design and production of precision air conditioning, technical cooling, and modular access floor. In 2010, Uniflair was acquired and integrated into Schneider Electric. The combination of Schneider Electric's APC and Uniflair cooling products creates a comprehensive portfolio of solutions for virtually any cooling need in critical IT environments.

<http://www2.schneider-electric.com/sites/corporate/en/products-services/former-brands/uniflair/uniflair.page>

“Schneider electric, the global specialist in energy management and managing critical power and cooling services, has announced the acquisition of Uniflair S.p.A., Italian, third manufacturer in the world in cooling systems of accuracy for data processing and telecommunications centres. **It's a solid company in Europe with a strong presence in emerging economies, particularly in China and the India.** The company has 500 employees and provides for revenues of 80 million euros in the year 2010. Uniflair S.p.A. manufactures its solutions in Italy, the India and China.

With this acquisition, Schneider Electric will **expand its offering, offering a complete range of products and solutions in cooling for data processing centres. It will also strengthen its human teams, global research, development and its experience in mechanical refrigeration.**

<http://www.interempresas.net/Chemistry/News/45838-Schneider-Electric-acquires-Italian-company-Uniflair-S-p-A.html>

## **30. 2010, Swegon AB - Blue Box Group Srl**



# BLUE BOX

A I R W I T H C A R E

A COMPANY IN THE SWEGON GROUP

*Type of deal:* horizontal acquisition

*Motivations:* Blue Box Group is going to complement Swegon's product range and will further improve Swegon's position as a unique supplier of comprehensive solutions and systems in the ventilation and air conditioning sector, Blue Box Group's cooling technology will open up new business opportunities

"05-10-2010

Swegon AB, the Scandinavian market leader in the fields of indoor climate and air conditioning, buys all shares in the Italian Blue Box Group S.r.l. and assumes ownership with immediate effect.

Blue Box Group, located in Cantarana di Cona, Italy, has an annual turnover of approximately 50mio Euro and is one of the leading companies in the development, production and sales of chillers and heat pumps. The Italian manufacturer has 250 employees and exports its products to 30 countries. The company was founded in 1986 and has since then convinced with significant growth and innovative products.

Blue Box Group is going to **complement Swegon's product range and will further improve Swegon's position as a unique supplier of comprehensive solutions and systems in the ventilation and air conditioning sector**. Today, Swegon is one of the leading suppliers of air handling units, waterborne and airborne climate systems, flow control, acoustics and residential ventilation. Blue Box Group's cooling technology with its various aspects will open up new business opportunities for the fast-growing company from Sweden.

"Blue Box Group stands for innovative product development, dedicated research and development, delivering superior quality and service. These characteristics match our core values perfectly and we are very happy to have found a strong asset in Blue Box Group. The acquisition is an enhancement to Swegon's business platform", says Mats Holmqvist, President of Swegon AB, and adds: "Our objective for Blue Box is to double its turnover until the year 2014. This necessitates a quick integration into the Swegon-Group and we are delighted that CEO Andrea Veggian, and General Manager Paolo Zenatto, will continue in their operative positions in the future. Their experience and engagement are invaluable for us."

Swegon is going to gradually introduce Blue Box Group's products through its international sales organisation. "Swegon is an internationally known and successful company with a strong brand and market position. With such a strong owner we will be able to focus even more on international growth and expansion", comments Severino Veggian, founder of Blue Box Group.

<http://www.swegon.com/en/About-Swegon/News/-News/-News-Archive/Swegon-buys-Blue-Box-Group/>

## **Swegon buys Italian chiller manufacturer Blue Box**

Published: 6 October 2010

Swegon AB, the Scandinavian ventilation and air conditioning supplier, has acquired Italian chiller and heat pump manufacturer Blue Box.

Blue Box Group, located in Cantarana di Cona, has an annual turnover of approximately Euro50m and around 250 employees. Founded in 1986, it exports its products to 30 countries.

'Our objective for Blue Box is to double its turnover until the year 2014. This necessitates a quick integration into the Swegon-Group,' said Mats Holmqvist, president of Swegon AB.

Established over 50 years, Swegon manufactures a range air handling units as well as ventilation products including diffusers, dampers, attenuators and fans.

<http://www.acr-news.com/swegon-buys-italian-chiller-manufacturer-blue-box>

## **31. 2010, Buhler AG - Petroncini Impianti Spa**

*Type of deal:* horizontal acquisition

*Motivations:* With this technology-driven partnership, Bühler is strengthening its position in the medium and top coffee market segments and thus offering the coffee processing industry new, targeted solutions for producing roasted and ground coffee

## **Bühler Strengthens Position in the Coffee Segment**

08/25/2010 Uzwil – The Bühler Technology Group has acquired a stake in the Italian company Petroncini Impianti S.p.A. **With this technology-driven partnership, Bühler is strengthening its position in the medium and top coffee market** segments and thus offering the coffee processing industry new, targeted solutions for producing roasted and ground coffee.

With Bühler's stake in Petroncini, the two companies are focusing their joint research and development resources on the development of novel, environmentally friendly coffee roasting systems and are thus contributing to sustainable coffee processing. Customers thereby profit from innovative and integral solutions for the industrial production of roasted and ground coffee. In this effort, Bühler will act as a project management partner along the entire process chain – from handling, cleaning, and storage of the green coffee to roasting, blending, and grinding of the roasted coffee and packaging of the finished ground coffee. In addition, Bühler now is the exclusive global partner for the sale of Petroncini products for industrial coffee processing. Dr. Stefan Schenker has been appointed as the new head of the Coffee market segment. Stefan Schenker has a long and excellent track record from a large coffee corporation and will thus strengthen the specialist and leadership competence of this Coffee unit.

Petroncini Impianti S.p.A. celebrated its 90th anniversary last year. The headquarters of the company are located in S. Agostino near Bologna (Italy). Petroncini specializes in the industrial-scale manufacture of drum roasting systems for the coffee industry and has to date installed over 2000 coffee roasters across the globe.

The two companies have agreed not to disclose the value or the share of the stake.

<http://www.buhlergroup.com/northamerica/en/about-buehler/media/media-releases/archive-6475.htm?title=#.VPiBs0JLy5I>

## **32. 2010, Johnson Screens Inc - Ma.Ind srl**

*Type of deal:* horizontal acquisition

*Motivations:*, industry expansion

*Bilfinger Water Technology acquired Johnson Screens (2013), that acquired Ma.Ind in 2010.*

### **Johnson Screens acquires Italian separation company MA Ind Srl**

05 August 2010

Johnson Screens Inc has acquired MA Ind Srl (MAIND), a Cesena, Italy-based manufacturer of separation, removal and processing systems for liquid/solid separation.

The **MAIND** product line includes vertical bar screens, rotary drum screens, screw compactors, vortex grit removal, packaged treatment systems and screw conveyors for the food and beverage, wastewater, pulp and paper, mining, power and oil and gas industries.

Johnson Screens says that it is looking forward to further expanding into these industries with the MAIND capabilities.

<http://www.filtsep.com/view/11536/johnson-screens-acquires-italian-separation-company-ma-ind-srl/>

## **Welcome to Bilfinger Water Technologies**

Bilfinger Water Technologies' Global Business Unit Water Treatment provides components and complete solutions manufactured in own production facilities for municipal and industrial wastewater, sludge and potable water treatment as well as services for improving the efficiency of sewage treatment plants.

The German engineering and services group Bilfinger acquired, in 2013, the American water technology specialist Johnson Screens and included in its Water Technologies division also the products portfolio of their former company Ma.Ind. specialized in the design and manufacture of liquid/solid separation, removal and processing systems. This products line includes vertical bar screens, rotary drum screens, screw compactors, vortex grit removal, packaged treatment systems, screw conveyors, sludge dewatering and thickening machines and more.

Combining these activities with activities already existing in the Bilfinger Group brings to the creation of a leading global supplier of components and services in nearly all the fields of application of water and wastewater technology.

With the brands **PASSAVANT®**, **Johnson Screens®**, **GEIGER®**, **AIRVAC®**, **DIEMME® FILTRATION**, **ROEDIGER®** and **NOGGERATH®** Bilfinger Water Technologies is a global leader in the supply of systems, components and services in the area of water and wastewater technology. The key to our success is the comprehensive range of competences in water and waste management, separating solids from liquids and gases and vacuum technology that we have combined to provide complete solutions for our customers in the municipal and in the industrial sectors.



<http://www.mainsrl.it/en/>

### 33. 2010, KSB - Itaco srl

*Type of deal:* Vertical acquisition (supplier),

*Motivations:* Technology development, R&D, former partnership

In 2010 KSB acquired an 80 percent interest in ITACO s.r.l, an Italian drive specialist, producer of a new kind of energy-efficient motor that exceeds EU requirements for high-efficiency motors.

#### “KSB buys into drive manufacturer

**Vicenza, Italy:** On 23 July, Frankenthal-based KSB Aktiengesellschaft acquires a majority interest in ITACO/REEL s.r.l.

The Italian company can look back on 25 years of successfully supplying customised automation and drive solutions for the international market. KSB has been cooperating with ITACO/REEL **as its supplier of components and partner in the development of integrated pump drives for more than five years**. Based on new technological approaches for motor and drive control **solutions, the companies jointly developed a pump drive** which even surpasses the most stringent requirements of EU Directive 2005/32/EC for high-efficiency motors.

The electric motors of pumps, as well as of compressors, account for the major portion of energy consumed in industry. This has led to continuously growing demand for energy-saving fluid transport systems.

The development of such systems is of strategic importance for the future success in the pump market. With its interest in the Italian drive specialist, KSB secures access to key technologies of the future.

### 34. 2010, Alfa Laval Corporate AB - ALFA LAVAL PARMA S.r.l. (formerly known as ASTEPO S.r.l.)

*Type of deal:* horizontal acquisition

*Motivations:* strengthen market position within the food business, strategic realignment (extend product range), entry in new markets (Alfa Laval’s strong local presence in most countries worldwide)

#### Alfa Laval continues the consolidation of their food technology segment

2010-05-07

Alfa Laval – a world leader in heat transfer, centrifugal separation and fluid handling – has acquired Astepo Srl., Italy. The Italian company is working within thermal food processing, aseptic food lines and bag-in-box filling machinery.

Astepo is manufacturing and supplying equipment for thermal food processing, especially aseptic food lines and bag-in-box machinery and the company has a wide-spread customer base, predominately in Europe.

“The acquisition of Astepo is in line with Alfa Laval’s strategy to **strengthen our position within the food business**” says Market Unit Manager for Beverages, Viscous Food, Olive Oil and Proteins, Mr. Guy Celis and continues – “with a wide product range of flexible bag-in-box machinery from Astepo, **we can further enhance our offering to our food and beverage customers**. This in combination with **Alfa Laval’s strong local presence in most countries worldwide**, not at least in Europe, Americas and Asia, will create very good opportunities for further profitable growth.”

Astepo Srl. is a company founded in 1986 with headquarter located in Parma, Italy. The company has a long experience in the preserved food industry and an extensive know-how in aseptic technology and advanced ohmic heating process. The product portfolio consists of innovative solutions within:

- 1 Thermal food processing, such as pasteurization, continuous cooking and sterilization
- 2 Bag-in-box filling technology such as volumetric filling, ultra-clean filling and aseptic filling, particularly of flexible bags.

Astepo Srl had sales of MEUR 8 in 2009 and some 25 employees working within functions such as R&D, sales and manufacturing. Astepo will be consolidated in Alfa Laval as of April 1, 2010 and continue the business with the same management team as before. The acquisition comes after a period of strategic alliance between Astepo and Alfa Laval, which already have shown positive results in key markets.

*Editor’s Notes:*

Alfa Laval is a leading global provider of specialized products and engineering solutions based on its key

technologies of heat transfer, separation and fluid handling.

The company's equipment, systems and services are dedicated to assisting customers in optimizing the performance of their processes.

The solutions help them to heat, cool, separate and transport products in industries that produce food and beverages, chemicals and petrochemicals, pharmaceuticals, starch, sugar and ethanol.

Alfa Laval's products are also used in power plants, aboard ships, in the mechanical engineering industry, in the mining industry and for wastewater treatment, as well as for comfort climate and refrigeration applications.

Alfa Laval's worldwide organization works closely with customers in nearly 100 countries to help them stay ahead in the global arena.

[http://www.alfalaval.com/about-us/press/product-press/Pages/astepo\\_acquisition.aspx](http://www.alfalaval.com/about-us/press/product-press/Pages/astepo_acquisition.aspx)

### **35. 2010, Xuzhou Bohui Science and Technology Development Co. Ltd. - Antonelli Spa**

*Motivations:* company restructuring (revenues down 70% in 2008; crisis in the real estate sector), horizontal acquisition

In September 2009, Xuzhou Bohui Antonelli Machinery Manufacturing Co.,Ltd purchased ANTONELLI S.P.A..

Xuzhou Bohui Antonelli Machinery Manufacturing Co.,Ltd is established on March 18,2009 in Xuzhou Economic Development Zone, jointly funded by Xuzhou Bohui Construction Machinery Group Inc., Hongkong Hongjun Investment Co., Ltd and ANTONELLI S.P.A. with share proportion of 55;22.5;22.5, and registered capital is 25 million RMB. This corporation is mainly engaged in research and production for pump system of concrete pump truck, folded arm structure and whole machines.

ANTONELLI S.P.A. is established in 1950 which is mainly engaged in production fo arm structure of concrete pump truck. On November 11, 2006, it is changed to a joint stock company and the valid period is to 2040 with registered capital of 1.5 million Euros. It is currently one of investors of Xuzhou Bohui Antonelli Machinery Manufacturing Co.,Ltd.

**Under the influence of economic crisis**, ANTONELLI S.P.A. decides to transfer 60% of its shares to Xuzhou Bohui Antonelli Machinery Manufacturing Co.,Ltd.

### **36. 2009, Montebalito – Sifatec - Fama Srl**

*Motivations:* no info available, joint venture

Fama Srl manufactures machinery for use in the automatic lathing sector, paper mills and converting operations, and industrial laundries in Italy and internationally. The company offers logistics and metallic turnings treatment systems, including pneumatic suction transport plants, pneumatic pressure plants, machines to recover oil and emulsion from wet chips; and accessories, including oil tanks, shredders, horizontal silos, vertical silos, bridge silos, and overturning elevators for trolleys. It also provides plants for paper mills and converting, including trims suction and dust filtration systems, shredder fans, static separators, cutters, shredder machines, suction and dust filtration systems, belt conveyors for production waste, and components and accessories; filtering and cooling lubricant solutions; and sandblasting rooms, sandblasting benches, self-cleaning rotary filters, metrology rooms, and sound treatment cabins. The company was founded in 1992 and is based in Dueville, Italy. As of December 17, 2009, Fama Srl operates as a joint venture between Montebalito, S.A. and Sifatec.

<http://www.bloomberg.com/research/stocks/private/snapshot.asp?privcapId=47589615>

### **38. 2009, I.M.A. Industria Macchine Automatiche S.p.A. - Mandarin Capital Management SA**

*Type of deal:* Financial buyer

*Motivations:* rapid entry and growth in the Asian Market (in particular pharmaceutical market), presence in China with an Institutional alliance and not industrial; expansion in the Tea market.

In 2009 the fund Mandarin Capital Management bought a 6.8% stake in Ima Group for accelerating the growth in the Asian Market, where the packaging machine business is promising. IMA is already present in China with a

factory (the “Ima Edwards Pharmaceutical Systems Beijing co. Ltd) in Beijing, a joint venture (Zibo Ima Xinhua Pharmatech) and a branch for sales (Ima packaging & Processing equipment). With the Chinese partner, IMA meant to enter also the Tea market, where the market share of the tea bag is 2%. Mandarin Capital Partners disinvested their stake in september 2013, reaping a 2.2x multiple and an IRR of 27% on its original investment.

<http://www.mandarinpc.com/en/press-review/137-ima-punta-sulla-cina-e-promette-dividendo>

(Teleborsa) - In data odierna Mandarin Capital Partners, **fondo di private equity focalizzato sull'asse Italia - Cina, con un'attenta e selettiva strategia di investimento** (a) nel capitale di aziende italiane con progetti di sviluppo in Cina e (b) nel capitale di aziende cinesi con progetti di espansione nei mercati europei, ha sottoscritto un contratto di compravendita, condizionato al perfezionamento di uno o più contratti di finanziamento finalizzati a dotare l'acquirente di parte dei mezzi necessari per dare esecuzione all'operazione, avente ad oggetto l'acquisto ai blocchi di numero 2.300.000 azioni IMA, costituenti complessivamente il 6,745% del capitale della società.

<http://borse.quifinanza.it/News/2009/10/27/ima-mandarin-capital-partners-acquista-6-7percent-da-manager-723.html>

Sino-Italian buyout fund Mandarin Capital Partners has exited I.M.A. S.p.A. after almost five years in its shareholding, reaping a good capital gain by the disinvestment. Through its subsidiaries Morchella S.r.l. and Rufus S.r.l., the fund specialized in deals between Italy and China communicated the sell of its 7.57% stake at €18.60 (\$24.51) for a total of 2,789,393 equity shares (€52 Mln / \$69.7 Mln) through an accelerated procedure of order collection from italian and foreign investors. The orders collection was managed by Banca IMI S.p.A. and Equita S.I.M. S.p.A. which acted as Joint Global Coordinators & Joint Bookrunners.

According to Milanofinanza.it the stocks were placed for two-thirds among foreign investors (London, Switzerland and Germany) and for one third among italian investors with a demand exceeding the offer by 1.6 times as proof that italian mid caps increasingly attract foreign investors. **The stock increased by 20.6% in the last six months and by 46% in the last year, and Mandarin profited of this (total return of 55% including dividends) cashing a good capital gain, reaping a 2.2x multiple and an IRR of 27% on its original investment.**

**Mandarin bought a 7% stake in IMA in October 2009 when the company was listed on the STAR segment of Borsa Italiana** (a segment of the Milan Stock Exchange dedicated to medium enterprises with a market capitalization between €40 Mln and €1 Bln) in a transaction valued at around €33 Mln, by buying around 2.3 million share at €14.50 per share from IMA president Alberto Vacchi, general manager Andrea Malagoli and managers Gianluca Vacchi and Luca Poggi. The stake was bought via two vehicles: 1,392,759 equity shares (3.939%) from Morchella S.r.l. and 1,057,241 (5.190%) equity shares from Rufus S.r.l. In the operation some bank financing was also provided. In this way Mandarin became the second shareholder of the company after the family Vacchi (68%).

The representative of Mandarin Capital Partners at I.M.A. S.p.A. , Enrico Ricotta, will keep his place as member of the board of directors. **The fact that a prestigious investor such as Mandarin Capital Partners has met its objectives to satisfaction of its shareholders, confirms once again that the industrial effort of I.M.A. S.p.A. to growth through innovation and a policy of strategic acquisitions was rewarding.** The corporate structure of I.M.A. S.p.A. enjoys now a greater openness toward a market with a higher share of free float.

Mandarin has had an big impact on IMA's business since the partnership signed in October 2009 which **foresaw the development of the core business of the company group with the entrance in the chinese market, especially in the pharmaceutical industry.** Insomuch as IMA in March of this year bought a 59% stake in Shangai Tianyan Pharmaceutical Machinery Co. Limited through the purchase of shares and an increase in capital for a total of 8 million RMB (approx. €1 Mln), with the target to consolidate, through this strategic acquisition, IMA presence in the Chinese market, which is seeing strong and rapid development, continuing the strategic path geared to becoming global supplier of complete lines for the pharmaceutical industry. The M&A activity of IMA focuses now on Europe and Food which are the two drivers and the lack of in terms of M&A shouldn't really jeopardize the short-term plans of the group.

**About Mandarin Capital Partners (MCP)**

Mandarin is the leading independent PE firm focused on cross-border operations between Italy and China. Its main shareholders are the second Italian banking group (Intesa Sanpaolo) and two important policy banks of the People's Republic of China (China Development Bank and China Export-Import Bank of China).

With a total commitment of €327.75 Mln the first company fund was established in May 2007 and operated through an integrated team with established local presence in Italy and China. Since its inception the fund has completed 10 investments in small-medium sized Italian and Chinese companies, which in turn have realized **20 add-on-acquisitions and three big Greenfield-Projects. The fund reaped a gross multiple of 1.6x and an IRR of 19%**, which is in line with what PE funds did reap in difficult times, with respect to funds from the same vintage year 2007.

Based on the success of the first fund, the company is currently in fundraising for its second fund Mandarin Capital Partners II, which is expected to reach a final close of € 1 billion, in the second half of this year, and which has its first close of its second fund on € 110.5 Mln. The company expanded recently its operation to Germany by establishing an office in Frankfurt headed by Markus Solidieba, ex 3i manager which has now the delicate task to find M&A-targets for the "unknown" Sino-Italian Mid-Cap Fund in Germany.

The fund will mainly invest in healthcare, environmental technologies, oil & gas suppliers, specialty chemicals and specialized industrial companies across China and German-speaking areas of Europe. Target companies will have typically a turnover between €40-50 mln and €300 mln in which Mandarin will take both majority as well as selected minority positions with equity tickets ranging from €30 mln to €50 mln focusing on operations of buy-out/buy-in (MBO, LBO, MBI) as well as development capital (Growth/Development Capital).

Overall, Mandarin is by far the most internationalized China outbound investment platform with European offices in Frankfurt (with sub-office in Munich) and Milan (with sub-office in Bologna) that allow Mandarin to source opportunities in medium-sized tech manufacturing segment in the most attractive European investment corridor spanning from Florence to Hamburg.

About I.M.A. S.p.A.

Established in 1961, and with headquarter in Ozzano dell'Emilia, IMA is the world leader in the design and manufacture of automatic machines for the processing and packaging of pharmaceuticals, cosmetics, tea, coffee and foods. The group has more than 3,400 employees, more than 1,500 of whom overseas, and can count on 21 production plants in Italy, Germany, the United Kingdom, the United States, India and China. IMA has an extensive sales network comprising 16 branches which provide sales and services in France, the United Kingdom, Germany, Austria, Spain, Portugal, Poland, Russia, the United States, China, Singapore, Thailand and Brazil, representative offices in Central and East European countries and over 50 agencies covering a total of more than 70 countries. IMA is also participating in one joint-venture in China for production and service. IMA S.p.A. has been listed on the Milan Stock Exchange since 1995 and in 2001 joined the STAR segment (a segment of the Milan stock exchange dedicated to medium enterprises with a market capitalization between €40 Mln and €1 Bln).

<http://www.venturecapitaly.com/2013/09/mandarin-capital-partners-exits-757.html>

### **39.2009, Sidenor Holdings S.A - A.W.M. Spa**

*Type of deal:* Horizontal acquisition

*Motivations:* new products development and broadening products portfolio), know-how

Sidenor SA has announced the purchase of a 34% equity stake in Italian company AWM SpA for EUR 2.6 million. The purchase is part of Sidenor's strategy to develop new products and services with significant added value and to expanding its activities.

Automatic Wire Machines was founded in 1987 in northern Italy and is a pioneer in the design and development of custom made hi tech engineering applications in the production and processing of steel.

(Sourced from [www.ana.gr](http://www.ana.gr))

### **41. 2009, Terex Germany GmbH - Fantuzzi Industries Port Equipment Business**

*Type of deal:* Horizontal acquisition

*Motivations:* Growth opportunity in the intermodal transportation area of infrastructure, expanding strategy in related product areas and is a natural extension

August 11, 2008 09:03 AM Eastern Daylight Time

WESTPORT, Conn.--(BUSINESS WIRE)--Terex Corporation (NYSE: TEX) today announced that it has reached a definitive agreement to acquire the port equipment businesses of Fantuzzi Industries S.a.r.l. for total consideration of approximately €215 million. These businesses are global leaders in the design, manufacture, and service of port equipment, with factories in Italy, Germany and China, as well as sales and service branches around the world. The company had 2007 revenues of approximately €447 million. The transaction is subject to customary closing conditions, including regulatory approval, and is anticipated to close in the fourth quarter of 2008.

“This acquisition provides us with an important growth opportunity in the intermodal transportation area of infrastructure,” said Ronald M. DeFeo, Terex Chairman and Chief Executive Officer. **“The acquisition is an excellent fit with our strategy of expanding our market presence in related product areas and is a natural extension of our Cranes business.** We expect this acquisition to be accretive to Terex earnings per share by the end of 2009.”

The existing Terex reach stacker product line will be joined by the Fantuzzi product range that includes Noell branded straddle carriers, both Fantuzzi and Noell branded rail and rubber tired gantry cranes, mobile harbor cranes, ship-to-shore cranes, and reach stackers and forklift trucks designed to improve port productivity and throughput. “We are truly excited to welcome these businesses and their team members, distributors and customers to the Terex Cranes family,” said Rick Nichols, President, Terex Cranes. “This acquisition represents an exciting opportunity for both companies, and together we will ensure that our customers in the port equipment and lifting segments will be the ultimate beneficiaries of our expanded product and service offerings.”

Terex Corporation is a diversified global manufacturer with 2007 net sales of more than \$9.1 billion. Terex operates in five business segments: Terex Aerial Work Platforms, Terex Construction, Terex Cranes, Terex Materials Processing & Mining, and Terex Roadbuilding, Utility Products and Other. Terex manufactures a broad range of equipment for use in various industries, including the construction, infrastructure, quarrying, surface mining, shipping, transportation, refining, and utility industries. Terex offers a complete line of financial products and services to assist in the acquisition of Terex equipment through Terex Financial Services. More information on Terex can be found at [www.terex.com](http://www.terex.com).

<http://www.businesswire.com/news/home/20080811005640/en/Terex-Acquire-Fantuzzi-Industries-Port-Equipment-Businesses#.VPnC30JLy5I>

## **42. 2008, Industrie PU.MA – Borodino JSC**

*Motivations: family succession*

[no data]

Industrie PU.MA. went bankrupt in 2013 and it has been acquired by the American Group Bradbury.

<http://www.provincia.pd.it/index.php?page=la-multinazionale-americana-bradbury-fa-ripartire-le-industrie-pu-ma-in-fallimento>

## **43. 2008, Hyva Group BV - Tecnomet srl**

*Type of deal:* Vertical acquisition (supply side)

*Motivations:* Vertical integration strategy. It will enable Hyva to source a larger part of its internal requirement in-house as well as becoming a supplier of double acting cylinders in general, to transfer the double acting technology to emerging countries

Amsterdam, 4 August 2008- Hyva Group (“Hyva”), the global provider of efficient transport solutions for the commercial vehicle and environmental services industries, today announces the acquisition of Tecnomet, a manufacturer of double acting cylinders.

Tecnomet has a manufacturing site in the northern part of Italy and is one of the three **main suppliers to Hyva’s** wholly owned subsidiaries AmcoVeba and F.lli Ferrari.

Double acting cylinders are used in hook lifts, skip loaders, moving floors, cranes, compactors and refuse collection vehicles, all products which are produced by Hyva manufacturing facilities around the world. The acquisition of Tecnomet will thus be a good supplement to Hyva's operations, providing the opportunity to transfer the double acting technology to its manufacturing sites worldwide.

Commenting on the acquisition, Louwrens Dijkstra, Hyva CEO said "**The Tecnomet acquisition is a major milestone in our vertical integration strategy. It will enable Hyva to source a larger part of its internal requirement in-house as well as becoming a supplier of double acting cylinders in general. Today's acquisition will also provide us with the opportunity to transfer the double acting technology to emerging countries where we can capitalize upon the same type of technology and where we sell and manufacture for the respective domestic markets.**"

<http://www.hyva.com/co/en/news/hyva-sets-new-landmark-producing-its-50000th-hydraulic-telescopic-cylinder/details/38.htm#.VPnFykJLy5I>

#### 44. 2008, Bavaria Industriekapital AG - Faral Spa

*Type of buyer:* Financial buyer

*Motivations:* Corporate restructuring, profitable option

Short History:

- Faral Spa acquired by Swiss Zehnder group
- Faral Spa acquired by German Bavaria Industriekapital AG (2008)
- Faral Spa acquired by Italian Sira Industrie (2014)

Faral Spa, aluminium radiator producer for customers in Europe was acquired by the German financial buyer "Bavaria Industriekapital AG" in 2008 and sold in 2014. The investment strategy of the private equity fund is to acquire companies based in the European region in the manufacturing industry and to restructure them.

Con l'acquisizione nel 2008 da parte di Bavaria Industriekapital Group è iniziato un processo di rinnovamento e consolidamento aziendale che fornisce a FARAL un grande potenziale di acquisizione di quote di mercato per diventare sempre di più il riferimento numero uno per chi cerca innovazione, qualità e know how in questo settore.

<http://www.mvceramiche.it/48-faral.html>

Munich, May 13, 2008: BAVARIA Industriekapital AG, the Munich based industrial holding, acquired the Italian Faral S.p.A. from the Swiss Zehnder Group. Faral S.p.A. is based in Modena and in 2007 had sales of EUR 48 million and employed 240 employees. **The company produces aluminium radiators for customers in Europe.**

Seller is the Zehnder Group, a global player in the heating and climate business. The sale of its aluminum radiator business is a further step in Zehnder Group's strategy to focus its activities on the niches of high-end and customized design steel radiators. It also supports the further expansion of the comfort ventilation business in terms of management capacity and financial resources.

Parties also signed an agreement to ensure the further supply of key components to the Zehnder group.

Faral started its business in 1966, at the time when radiators were made from cast iron and steel. In view of the advantages of aluminium, Faral manufactured the world's first aluminium radiator called Tropical. Today, Faral is well known as the pioneer in the aluminium radiator business and a leading supplier of a wide range of different models.

In 2008, FARAL (Fabbrica di Radiatori in Alluminio) was acquired by BAVARIA and restructured, making the company fit to grow once again in Italy and Europe. FARAL supplies the European market with two factories, a foundry and an assembly/painting plant. After more than 40 years later, it is still setting industry standards as one of the global leaders in its sector.

<http://www.4-traders.com/BAVARIA-INDUSTRIE-455873/news/BAVARIA-INDUSTRIE--acquired-Faral-SpA-from-Zehnder-Group-509383/>

<http://www.ilsole24ore.com/art/impresa-e-territori/2014-11-14/sira-industrie-caloriferi-alluminio-acquisisce-faral-e-progetta-nuovo-stabilimento-russia-092604.shtml?uuid=ABRt1pDC>

#### **45. 2008, CJSC Siberian Agrarian Holding - 70% in Meccanica Marcon Srl & 70% in Bassanina Srl**

[no info]

#### **46. 2008, Habasit AG - Rossi S.p.A.**



*Type of deal:* horizontal acquisition

*Motivations:* Efficiency-seeking, former partnership

2009

(Luglio) Habasit Holding detiene il 100% di Rossi

2004

Habasit acquisisce una quota importante in Rossi, **al fine di rafforzare la presenza globale e sviluppare la strategia di crescita.**

Ottobre 2004: il Gruppo Rossi sigla un accordo di partnership con l'azienda svizzera Habasit AG. Questo accordo permetterà al gruppo Rossi di crescere a livello internazionale, condividendo risorse con l'azienda di Basilea, leader mondiale nella produzione e commercializzazione di cinghie di trasmissione e nastri trasportatori. Con la sottoscrizione dell'accordo, Habasit è entrata come socio di maggioranza nel Gruppo Rossi.

By joining forces with the Italian production facility the company is once more, directly aligned with the strategic focus of Rossi Spa.

The Italian production facility has invested in significant infrastructure improvements over the last 2 years in order to align the capabilities of the organization, with the needs of a growing customer base.

This acquisition will also be strategic to the growth of the existing UK business with further investment taking place in specific functions within the UK operation.

One of the first investments will be the complete **overhaul of the computer operating system to align the sales functions with that of the production operation.** This will facilitate the rapid flow of information and enhance customer service through a dedicated customer online portal.

<http://www.rossi-group.com/index.php/It/company-5/storia>

#### **47. 2008, FlexLink AB - Techne Graham Packaging Company Italia Srl**

*Type of deal:* Horizontal acquisition

*Motivations:* Techne has a strong foothold within the tissue, pharmaceutical and personal products industries, which make it a logic fit to FlexLink as a provider of production logistics solutions to the manufacturing industry

##### **FlexLink Acquires Techne - A Leading Supplier to the Packaging Industry**

Göteborg, May 19, 2008

FlexLink have acquired Techne, a leading provider of machines and devices for the packaging OEM industry. Techne is now part of FlexLink's EMEA South organization as an Area System House, ASH. The new name is FlexLink Techne S.r.l.

Techne has 25 years of industry experience as a provider of design and engineering of specialty machines and equipment for the packaging machinery industry. Based outside Bologna in Italy, Techne employs 20 co-workers and is since long a member of the Bologna Packaging valley, a network of leading packaging machinery suppliers.

From the beginning, Techne has a strong foothold within the tissue, pharmaceutical and personal products

industries, which make it a logic fit to FlexLink as a **provider of production logistics solutions to the manufacturing industry**. With the investment, FlexLink reinforces Techne's **position at leading machine manufacturers** and leveraging their growth potential through a strong international network.

FlexLink is a leading production logistics supplier - providing material and information flow management solutions to assembly and manufacturing industries. Based in Göteborg, Sweden, FlexLink has 665 employees, operates 28 sales units and is represented in 60 countries. In 2007, group turnover was MSEK 1,346 (\$199 MUSD). FlexLink's Americas headquarters is based in Allentown, PA.

<http://news.thomasnet.com/companystory/flexlink-acquires-techne-a-leading-supplier-to-the-packaging-industry-81711>

## ***1.2 Outbound deals***

### **1. 2014, CSM Machinery SpA – Oakley Industrial**

*Motivations:* Horizontal acquisition, acquisition of the US competitor, expansion in the American Market

#### **La trevigiana Csm Machinery acquista il competitor americano**

CIMETTA DI CODOGNÈ - (g.c.p) Shopping negli Stati Uniti per la CSM Machinery. Il gruppo trevigiano specializzato nella realizzazione di macchine per la produzione di resistenze elettriche, ha acquisito la Oakley Industrial Machinery Inc. azienda storica del Midwest, fondata negli anni '40 che inventò e produsse la prima generazione di macchinari per costruire resistenze elettriche. «Si tratta di un'azienda di nicchia, con un fatturato sui 4 milioni di dollari l'anno - spiega Elisabetta Trolese, 38 anni presidente della holding di famiglia che controlla il gruppo Csm - **ma l'operazione assume un valore particolare in quanto abbiamo acquisito un competitor nel mercato americano e questo consentirà di espanderci ulteriormente negli Usa**». L'acquisizione consolida il percorso di internazionalizzazione intrapreso dal gruppo trevigiano che punta a diventare leader nei mercati di riferimento. Nei prossimi mesi infatti sarà inaugurato un nuovo stabilimento CSM Tube do Brasil di 4000 mq per la produzione di tubo elettrosaldato in acciaio inox che nei progetti dovrà diventare il punto di riferimento nel Sud America.



In Italia CSM Group si articola in quattro aziende: CSM Machinery per la produzione di macchinari per resistenze elettriche tubolari e automazioni, CSM Tube per la produzione di tubo elettrosaldato in acciaio inox, CSM Elettronica per l'hardware e software e CSM Transforming per le lavorazioni di taglio, piegatura, curvatura. Una multinazionale tascabile che vanta 35 anni di storia, ha un fatturato consolidato di oltre 30 milioni di euro, con due sedi in Italia per un totale di 15.000mq dedicati alla produzione e occupa 70 dipendenti.

[http://www.ilgazzettino.it/PAY/NAZIONALE\\_PAY/la\\_trevigiana\\_csm\\_machinery\\_acquista\\_il\\_competitor\\_americano/notizie/814976.shtml](http://www.ilgazzettino.it/PAY/NAZIONALE_PAY/la_trevigiana_csm_machinery_acquista_il_competitor_americano/notizie/814976.shtml)

## 2. 2014, INglass SpA – Ermo S.A

*Motivations:* Horizontal acquisition, to create a leading supplier of molds and services with high technological content in all high demanding sector of the plastic molding process, Market expansion in related product, broadening product portfolio.

“INglass SpA, azienda internazionale leader nella produzione di stampi e camere calde per il mercato dell'illuminazione auto, ha annunciato oggi il completamento dell'acquisizione di ERMO, società francese leader nella produzione di stampi multicavità ad alta precisione quotata in borsa a Parigi nel segmento C Euronext.

INglass ed ERMO rappresentano insieme un gruppo con più di 800 dipendenti e 6 impianti di produzione dislocati in Italia, Francia, Cina e Polonia - ed il settimo che sarà operativo il prossimo anno a Grand Rapids in Michigan, e prevedono per il 2014 un fatturato di 110 Milioni di Euro.

ERMO è un player importante nel mercato degli stampi multicavità nei settori medicale, personal care, cosmetico e delle chiusure che impiega attrezzature all'avanguardia per la realizzazione di un prodotto eccellente dal punto di vista sia della qualità che delle performance. INglass ed ERMO, accomunate dai continui investimenti nelle innovazioni tecnologiche attraverso l'obiettivo comune dell'eccellenza, si sono impegnate ad offrire supporto commerciale e tecnico qualificato vicino alla localizzazione dei clienti e disponibilità nella realizzazione di progetti completi ovunque venga lanciata la produzione.

Secondo i termini della transazione INglass ha acquisito il 100 % delle azioni di AURCA, holding di partecipazione che detiene circa il 83,25% di ERMO, unitamente ad una ulteriore quota di azioni di ERMO pari al 11,7%. A breve INglass lancerà un'offerta pubblica di acquisto sul restante capitale di ERMO finalizzata al delisting della società.

**"Siamo entusiasti che ERMO sia entrata a far parte del team INglass e confidiamo nella loro competenza e professionalità per le grandi opportunità di crescita nel settore degli stampi multicavità ad alta precisione"** ha dichiarato Maurizio Bazzo, presidente di INglass **"Questa decisione permetterà all'azienda di scegliere e focalizzare le sue risorse nella nicchia degli stampi ad alta precisione, ripercorrendo il percorso fatto di INglass nel settore degli stampi rotativi multicolore e multi componente per l'industria della fanaleria auto"**.

[http://www.inglass.it/dettaglio\\_news.php?id\\_menu=99&id\\_tipo=1&id\\_news=403&id\\_ext\\_menu=99&id\\_pag=2](http://www.inglass.it/dettaglio_news.php?id_menu=99&id_tipo=1&id_news=403&id_ext_menu=99&id_pag=2)

“INglass, worldwide leader in Automotive lighting molds, acquires ERMO, French company specialized in the production of high precision multicavity molds.

INglass s.p.a., a global plastics industry leader in lighting application molds and hot runner systems, announces the acquisition of ERMO, a french company leader in the manufacture of multicavity high precision moulds. The deal is expected to close in June.

INglass made this decision in order **to create a leading supplier of molds and services with high technological content in all high demanding sector of the plastic molding process ranging from automotive lighting to personal care, cosmetics, medical and closures**. This transaction will lead **INglass to a further diversification process development** of its activities from the automotive sector that is prevalent today.

The two companies will continue focusing on their own key activities, capitalizing on the synergies arising from this transaction. **ERMO indeed will benefit from the global presence of INglass who, assisting more than 50 countries at international level with local branches and two production plants in Italy and in China**(Hangzhou) and the third opening soon in the U.S., and its strong presence in the Asian market, will allow ERMO to have a technical and commercial capillary support for its customers around the World and to improve the overall operational efficiency.

Furthermore the deep experience of ERMO in high precision multicavity molds will allow INglass to achieve a **broader customer portfolio**, improving the supply of mold products with a wider variety of solutions. **The sharing of knowledge and organizational** arrangements will also allow to offer the best support, regardless of

the project complexity and location.

ERMO, a French company listed on C Euronext Paris segment, was founded in 1979 by the current Chairman and shareholder Mr Jean Yves Pichereau. From the outset, it focused its business in multicavity and multi-component molds for highly competitive fields that require large volumes of production and low weight. Today the company operates in Europe with 5 production plants located in France and Poland.

Mr Jean Yves Pichereau says “INGlass’s global presence and its strong innovative spirit will enable us to offer technologically advanced products related to the high expertise of these two companies in the whole World, especially in those countries where the demand is increasing”.

Under the transaction terms and subject to certain suspensive conditions, INglass s.p.a. will acquire the 100 % stock of AURCA, the holding company which owns approximately 83.25% of ERMO, together with a further portion of shares ERMO equal to 11,7%.

Following the acquisition of the majority, in accordance with current legislation, INglass will launch a tender offer to acquire the remaining capital of ERMO aimed at the company delisting.

INGlass and ERMO will jointly represent a group of 800 employees and an expected turnover of € 110Mil. in 2014.

Mr Maurizio Bazzo, president and founder of the INglass group, states “Over the following years, this decision will allow the company to choose and focus its resources in a niche of high precision molds, retracing the path taken by INglass for rotating multicolour and multi-components molds for the automotive lighting field. ERMO, in particular, was chosen due to its excellent knowledge and the high reliability of its products, as well as the innovative spirit that we have in common”.

INGlass was assisted by EY in the role of financial advisor for the transaction.

<http://www.hrsflow.com/eng/news/news/inglass-acquires-the-french-company-ermo.php>

### **3. 2014, Caprari SpA – Polmot Motor Makina Sanayu ve Ticaret A.S.**

*Motivations:* Horizontal JV, Strategic Joint-Venture to become the major manufacturers of submerged pumps

Caprari spa e Polmot Motor Makina A.S. annunciano di avere siglato un accordo strategico di Joint Venture mediante il quale Caprari S.p.A. ha acquisito il 50% del capitale di Polmot. Polmot, con il marchio POLDAP, é tra i principali costruttori turchi di motori e pompe sommerse per pozzi. L’azienda, ha sede nella storica città di Konya (Regione dell’Anatolia Centrale), uno dei distretti industriali più sviluppati in Turchia.

“Con questa iniziativa il Gruppo Caprari – dicono dall’azienda modenese – insieme a Polmot, si conferma tra i maggiori produttori di pompe sommerse da pozzo, per la qualità dei prodotti, l’ampiezza di gamma e i volumi produttivi complessivi”.

[http://www.viaemilianet.it/economia-imprese/2014/01/28/acquisti-in-turchia-per-caprari/#.VQ\\_YIFxLy5I](http://www.viaemilianet.it/economia-imprese/2014/01/28/acquisti-in-turchia-per-caprari/#.VQ_YIFxLy5I)

Caprari acquires 50% stake in Turkish motor and pump manufacturer

22 January 2014

Italy’s Caprari SpA has entered into a strategic joint venture agreement with Polmot Motor Makina AS, acquiring 50% of the Turkish submersible borehole motor and pump manufacturer’s capital.

Through its POLDAP brand, Konya-based Polmot is one of the largest manufacturers of submersible borehole motors and pumps in Turkey. Pump products include plastic impeller pumps, cast iron pumps and stainless steel pumps.

### **4. 2013, Stevanato Group SpA – InnoScan A.S.**

*Motivations:* Horizontal acquisition, Acquiring new technology for visual inspection

02/07/2013

INNOSCAN ENTRA A FAR PARTE DI STEVANATO GROUP

Stevanato Group, leader internazionale nella produzione di packaging primario in vetro a uso farmaceutico per iniettabili e nella produzione di macchine di formatura del tubovetro e di sistemi d’ispezione visiva, consolida la propria posizione sul mercato acquisendo la quota di maggioranza di InnoScan, azienda manifatturiera danese specializzata nella produzione di sistemi d’ispezione ad alta precisione per l’industria farmaceutica.

Grazie a questa acquisizione InnoScan potrà aumentare la propria presenza internazionale mentre per Stevanato Group **le competenze e il portfolio di InnoScan si uniranno a quelle della già controllata Optrel** (nel gruppo dal 2007) potenziando notevolmente il business del Gruppo nelle tecnologie di ispezione visiva per contenitori farmaceutici.

Stevanato Group sarà in questo modo in grado di offrire ai propri clienti una più completa gamma di tecnologie per l'ispezione visiva, coprendo sempre più ampie fasce di mercato.

«**Questa acquisizione è in linea con il nostro piano strategico di crescita e di rafforzamento della nostra leadership tecnologica nella produzione di prodotti di packaging primario in vetro e relative tecnologie** – spiega il Cav. Sergio Stevanato, Presidente del Gruppo –. L'entrata di InnoScan permetterà ai nostri clienti attuali e futuri di beneficiare dell'unione del knowhow tecnologico e dell'offerta di una completa gamma di prodotti per l'ispezione visiva di tutti i tipi di contenitori, incluse le siringhe».

I due fondatori di InnoScan, Gert Nielsen e Tonny Jervelund, e il CEO Mads Peter Lübeck manterranno ruoli, funzioni e rimarranno azionisti di InnoScan.

«InnoScan è davvero fortunata nel beneficiare di una accresciuta domanda rappresentata dai clienti storici e da quelli nuovi - commenta Mads Peter Lübeck, InnoScan CEO -. L'entrata nel Gruppo Stevanato permetterà a InnoScan di poter effettuare gli investimenti necessari per continuare la crescita tecnologica e di mercato mantenendo un alto livello di servizio».

«Io e Tonny Jervelund - continua Gert Nielsen, uno dei due fondatori di InnoScan - abbiamo sempre creduto che InnoScan avesse tutte le potenzialità per uscire da una nicchia di leadership tecnologica e diventare fornitore di primo piano di macchine da ispezione automatica, ma per farlo era necessario avere il giusto assetto di proprietà e il giusto management. La scelta nel 2009 di avere un professional CEO fu già la prima parte di una strategia di più ampio respiro che oggi compie un altro passo importante con il trasferimento della quota di maggioranza ad un Gruppo attentamente selezionato. Sia io – aggiunge Gert Nielsen - che Tonny Jeverlund crediamo fortemente che Stevanato Group sia il nostro proprietario ideale da tutti i punti di vista: per le persone, i valori e le intenzioni. Siamo entrambi entusiasti e impegnati a sostenere l'ulteriore sviluppo dell'azienda».

Innovazione, qualità, flessibilità e attenzione al cliente hanno sempre caratterizzato le rispettive attività nel mondo dell'industria farmaceutica e delle macchine per l'ispezione.

InnoScan è un'azienda in crescita e fortemente orientata allo sviluppo, conta oggi circa 50 dipendenti specializzati nella produzione e nello sviluppo di macchinari ad alta tecnologia per l'ispezione visiva per l'industria farmaceutica. Tutti i sistemi si basano su sistemi di controllo di proprietà. L'azienda sviluppa e fornisce sistemi su misura per clienti in tutto il mondo.

<http://www.stevanatogroup.com/it/news-press-releases/2013/07/stevanato-group-acquires-innoscan/>

## 5. 2013, Danieli & C. Officine Meccaniche SpA– Riverside Products Inc

*Motivations:* Vertical acquisition, broadening product portfolio in the scrap recycling, expansion in US, China and UK

“Con l'acquisto strategico delle azioni della Riverside Products, Inc., l'italiana Danieli & C Officine Meccaniche S.p.A., costruttore di impianti e macchine per l'industria siderurgica conosciuto in tutto il mondo, **ha ampliato il suo portfolio prodotti nel settore del riciclo di rottami**. Con questa operazione, la Danieli assumerà il controllo sia del quartiere generale primario di Bettendorf IA, USA sia delle attività satelliti in Cina e nel Regno Unito. La società sarà denominata Danieli Riverside Products.

Con un fatturato annuale di oltre 3 miliardi di euro, la Danieli è uno dei più grandi gruppi privati al mondo nel settore della costruzione di impianti e macchine per l'industria siderurgica. Emanuele Brusini, vice presidente ha dichiarato: „la linea di prodotti Riverside e i suoi settori di attività si fonderanno con le divisioni Danieli Centro Recycling. Nell'ultimo anno la Danieli ha consegnato importanti progetti chiavi in mano per impianti di lavorazione dei rottami sui mercati siderurgici tradizionali. **Per cinque anni la Riverside Products è stato uno dei principali fornitori di rotori ad alta tecnologia e di pezzi di ricambio per l'industria del riciclo dei metalli**. La reputazione di **eccellenza ingegneristica** detenuta dalla Riverside Products è stato un fattore chiave alla base di questa acquisizione”.

Larry Hotaling (presidente) e Kevin Toft (vicepresidente) manterranno i loro ruoli nella dirigenza della Danieli Riverside Products. L'ampia gamma di rotori Riverside è affermata da anni nella comunità mondiale del riciclo di rottami ed è nota per la lunga durata e l'elevata qualità, sia in termini di design che di funzionamento. La combinazione delle nostre competenze specialistiche nel settore della ghisa antiusura e l'elevato know-how nella costruzione di trituratori ci permette di soddisfare le esigenze globali, sia delle più piccole aziende che dei grandi gruppi di lavorazione dei rottami”.

<http://www.danieli-centro-recycling.com/it/2013/05/danieli-rileva-la-riverside-products-inc/>

“Italian steel and engineering company Danieli & C Officine Meccaniche S.p.A. has purchased Riverside Products Inc., Bettendorf, Iowa, adding to its recycling-related business portfolio.

According to a news release issued by Danieli, “The deal will see Danieli take control of primary facilities in Bettendorf and satellite operations in the U.K. and China. The ongoing business will adopt the name Danieli Riverside Products.”

“The Riverside product line and business units will be merged into the Danieli Centro Recycling division,” says Emanuele Brusini, Danieli’s executive vice president. “Riverside Products has been an active supplier of highly engineered rotors and wear parts to the worldwide metals recycling industry for over 50 years. The reputation for engineering excellence held by Riverside Products was a key driver behind this acquisition,” he adds.

With annual revenue of more than \$3.9 billion (€3 billion), Danieli is one of the world’s largest privately controlled integrated engineering and manufacturing groups. “In the past year Danieli has delivered significant turnkey projects for scrap processing facilities within our traditional steelmaking markets,” notes Brusini.

Larry Hotaling, president of Riverside Products, and Kevin Toft, the company’s vice president, will maintain their roles within the senior management team of Danieli Riverside Products. “The wide range of Riverside Rotors is long established and renowned within the scrap metal recycling communities of the world for long life cycle and high quality in both design and operation,” says Hotaling. “The combination of our specific expertise in wear resistant castings with Danieli Lynxs’ existing shredder know-how will enable the new group to meet the needs of both the smallest and largest scrap processing companies of the world,” he adds.

<http://www.recyclingtoday.com/danieli-riverside-products-acquisition.aspx>

## 6. 2012, Coesia SpA (former Oystar North America) – RA Jones & Co. Inc.

*Motivations:* Horizontal acquisition, Internationalization strategy through organic growth and external lines, acquisition of the leader in the North-American market in the packaging industry

“È cresciuta nell'ultimo triennio del 50%, tra sviluppo organico e per linee esterne e si prepara a toccare quest'anno i 1.200 milioni di fatturato attraverso una galassia di 12 compagnie, 60 unità operative in 27 Paesi e 5mila dipendenti. Nonostante tutto, però, il gruppo Coesia – leader indiscusso nelle macchine per il confezionamento, con clienti che spaziano dall'health&beauty all'alimentare, dal tabacco all'aerospaziale – resta una tipica azienda familiare, radicata anima e corpo a Bologna: il capitale è tutto in mano a Isabella Seragnoli, figlia del fondatore Enzo che alla fine degli anni Trenta acquistò l'azienda di motociclette Gd per farne il numero uno al mondo nel packaging di sigarette.

**Un percorso di internazionalizzazione**, attraverso un oculato shopping in giro per il globo, «iniziato già negli anni Ottanta e che non si è mai arrestato, portando l'attuale quota di fatturato estero al 98 per cento», raccontano i vertici del colosso glocal che non ha mai amato parlare e far parlare di sé. L'ultimo tassello nel fitto puzzle della compagnia è stato inserito a fine ottobre: l'impero Seragnoli ha infatti firmato l'accordo (manca solo il via libera dell'Antitrust) per acquisire il 100% della Oystar North America, del gruppo Oystar, 160 milioni di euro di fatturato, 550 addetti nei due stabilimenti americani, 70 brevetti internazionali, **leader sul mercato nordamericano nel packaging alimentare e di beni di consumo.**

Se il peso del mercato Italia è oggi praticamente azzerato, «la produzione, invece, è sempre stata e resterà qui nella packaging valley – assicura la dirigenza – grazie a una rete di fornitori e a una cultura dell'innovazione inimitabili». Con 2.400 brevetti depositati, Coesia – che ogni anno investe in media il 6% dei ricavi in R&S e ha un team dedicato di 500 tra designer e tecnici – è il terzo gruppo in Italia per innovazione, superato solo da ST Microelectronics e il Centro ricerche Fiat.

<http://www.ilsole24ore.com/art/impresa-e-territori/2012-11-08/gruppo-coesia-conquista-americani-064510.shtml?uuid=AbwvR40G>

“Coesia closes acquisition of Oystar North America, renames it R.A. Jones & Co.”

By Gretchen Edelbrock, Products Editor

R.A. Jones & Co.’s heritage traces back to two pioneers in US packaging machinery, R.A. Jones & Co. founded in 1905 in Covington, KY and KartridgPak/Packaging Technologies, founded in 1946 in Chicago, IL. R.A. Jones & Co. has revenues of over USD 200 million (approx. Euro 160 million), two US-based sites in Davenport, IA and Covington, KY, over 550 employees and more than 70 patents worldwide.

**R.A. Jones & Co. is a leading North American player in Food and Consumer Goods packaging machinery, through its seven brands:** Jones (pouch filling and cartoning), KartridgPak (Chub Packaging), Autoproduct and Holmatic (Cup filling and sealing), Aerofill (Aerosol machinery), Dawson (bottle filling) and Map Systems (patented solutions for improving product shelf life). Barry Shoulders will continue as the CEO of the

newly-acquired company, which has grown to become one of the largest suppliers of packaging machinery and services in the United States, Canada and Mexico.

**“The acquisition of R.A. Jones & Co. transforms Coesia into one of the leading North American packaging machinery companies** with over USD 400 million of North American revenues, four US production facilities, pervasive sales and technical service network and over 800 US-based staff,” said Angelos Papadimitriou, Chief Executive Officer of Coesia Group. With forecast 2012 revenues (pre-acquisition) of Euro 1.2 billion (approx. USD 1.5 billion) and 5000 employees, Coesia is a group of innovation-based industrial solutions companies operating globally, headquartered in Bologna, Italy and fully owned by Isabella Seràgnoli. The Group’s companies are leaders in the sectors of Advanced Automated Machinery, Industrial Process Solutions (production logistics, inline printing and vision inspection systems) and Precision Gears.

Coesia’s customers are in Health & Beauty, Consumer Goods, Tobacco and Aerospace & Racing industries.

Coesia Group consists of thirteen companies, headquartered in seven different nations and present in 27 countries with 50 manufacturing sites: G.D, SASIB, ACMAVOLPAK, R.A JONES, GDM, NORDEN, CITUS/KALIX, FLEXLINK, ADMV, SACMO, HAPA, LAETUS, CIMA.

<http://www.packworld.com/coesia-closes-acquisition-oystar-north-america-renames-it-ra-jones-co>

## **7. 2012, Danieli & C Officine Meccaniche SpA– Danieli Henschel SAS (former Akros Henschel SAS)**

*Motivations:* Vertical acquisition, broadening recycling product portfolio with the world leader in hydraulic scrap shears, balers, pre-shredders and vertical grinders

“Following the purchase in late 2010 of LYNXS Shredders, world renowned Italian steel and engineering company Danieli & C Officine Meccaniche S.p.A. based in Buttrio, Italy has added to its recycling product portfolio with the strategic share buy-out of Akros Henschel SAS, a world leader in hydraulic scrap shears, balers, pre-shredders and vertical grinders. **Since 1970 Akros Henschel businesses have delivered more than 450 large scrap processing machines worldwide.** The deal will see Danieli take control of primary manufacturing facilities in Chambéry, France and Kassel, Germany both of which will continue to work alongside existing Danieli facilities in Italy, Thailand, China and India. The on-going business will adopt the name Danieli Henschel.

With annual revenues in excess of €3.0 billion, DANIELI is one of the world’s largest privately controlled integrated engineering and manufacturing groups. Emanuele Brusini, Executive Vice President said “The Akros Henschel product line and business units will be merged into the DANIELI Centro Recycling division. In the past year Danieli has delivered significant turnkey projects for scrap processing facilities within our traditional steel making markets. **By adding large hydraulic scrap shears and balers we see tremendous opportunity for further vertical integration of scrap preparation,** handling and continuous charging processes within electric arc furnace (EAF) melt shops”.

Daniel Damart, former Managing Director of Akros Henschel will adopt a leading role within Danieli’s senior management team responsible for developing scrap processing markets outside of steel making added; **“The Henschel brand is long established and renowned within the scrap metal recycling communities of the world for quality in both design and operation.** The combination of our pre-shredders, large static and mobile scrap shears and balers with Danieli’s existing shredder range enables the new group to meet the needs of both the smallest and largest scrap processing companies of the world”.

<http://www.akros-henschel.com/blogen/?p=251>

## **8. 2012, TechnoAlpin SpA– Innovag AG**

*Motivations:* Horizontal acquisition, TechnoAlpin specializes in turnkey snow-making systems for outdoors, Innovag is the equivalent for indoor systems, so the acquisition aims to capture synergies in the production systems and to broaden the know-how

*TechnoAlpin and Innovag AG have been venturing forth together since the beginning of the year. While TechnoAlpin specializes in turnkey snow-making systems for outdoors, Innovag is the equivalent for indoor systems.*

Alpine ski slopes, cross-country ski runs, ski jump approach ramps, toboggan runs, ski routes - all areas in which

TechnoAlpin has been at home for over 20 years. By contrast, Innovag AG develops snow generation solutions for indoor winter sports and leisure activities, for spa facilities and health resorts, as well as for industrial test purposes, such as test stands for brakes and engines, and climatic wind tunnels. The entire range of applications of snow-making technology can be covered by the pooled expertise of both companies.

**"I am convinced that both companies stand to benefit from working together. Both have a central focus on research and development. So there is definite scope to exploit synergies.** We can reap the mutual benefit of each other's know-how", said TechnoAlpin Managing Director Erich Gummerer. **He also pointed out that some of the product components are very similar, therefore there is great potential for synergy in the production systems.** "We are looking forward to new challenges and opportunities. The friendship between our companies goes back a long way. Coming together under one roof at TechnoAlpin is therefore a logical progression of this association", continued Gummerer.

Innovag AG will remain an independent company and will retain its head office in Pasenbach in Bavaria (GER). The headquarters of TechnoAlpin Deutschland GmbH are not far away but the cooperation between Innovag and TechnoAlpin will not only be concentrated on Germany. The companies are both engaged in worldwide operations and in this way they can guarantee customers even more local availability thanks to an efficient sales and distribution network.

<http://www.technoalpin.com/en-us/information/news/technoalpin-and-innovag-venture-forth-together.html>

## **9. 2012, Interpump Group SpA – Takarada Industria e Comercio Ltda**

*Motivations:* Horizontal acquisition, Market expansion in Brazil, complementary activities between Takarada and Interpump in the oildynamic industry.

“Interpump Group annuncia che è stato effettuato il closing dell'acquisizione della società Takarada. Takarada con sede a Caxias do Sul (Brasile – Stato di Rio Grande do Sul), è una società leader nella produzione e commercializzazione di prese di forza ed altri componenti oleodinamici per i veicoli industriali. La società nel 2011 ha registrato un fatturato di 17,9 milioni di reais (8,0 milioni di euro) con una crescita del 27% ed un EBITDA di 3,3 milioni di reais (1,5 milioni di euro) pari al 18,6% delle vendite. Con tale operazione è stato acquistato il 100% del capitale di Takarada per il prezzo complessivo di 29,0 milioni di reais (12,9 milioni di euro), incluso l'indebitamento finanziario, che è stato pagato per cassa.

**L'attività di Takarada è fortemente complementare con le attività del Settore Oleodinamico di Interpump Group. Infatti Interpump Hydraulics S.p.A., società controllata al 100% da Interpump Group S.p.A., è leader mondiale nelle prese di forza per veicoli industriali, utilizzati soprattutto nell'industria delle costruzioni pubbliche e private. Con l'acquisizione di Takarada, Interpump Group mette le basi per una importante crescita del Settore Oleodinamico in Brasile, Paese dove sono previsti ingenti investimenti in infrastrutture nei prossimi anni, anche per l'avvenuta assegnazione dei massimi eventi sportivi mondiali (Campionati del Mondo di calcio e Olimpiadi).**

<http://www.trend-online.com/ansa/fta74309/#.VRCP11xLxTM>

## **10. 2012, Datalogic SpA - PPT Vision Inc.**

*Motivations:* Horizontal acquisition, To reinforce the position in the machine vision market, to supply the customers with complete solutions, to broaden the product's portfolio

Bologna, 21 December 2011

Datalogic S.p.A. (“Datalogic”), a Company listed on the STAR segment of the Italian Stock Exchange (Borsa Italiana S.p.A.: DAL) and leader in the market of bar code readers, data collection mobile computers, RFID and vision systems, announces that the acquisition, through a US subsidiary, of PPT Vision, Inc., a U.S. company which has been present in the machine vision market for nearly 30 years, has been completed.

PPT Vision develops, manufactures and distributes products and solutions based on smart cameras and multi-camera vision systems for applications in quality control and inspection in most manufacturing industries. The extraordinary PPT Vision Inc. Shareholders' Meeting, held yesterday, approved the sales of the company to Datalogic at a price of USD 0.13 per share, for a total amount of the transaction of 5.2 million USD.

Mauro Sacchetto, Datalogic Group CEO, stated: **”The acquisition of PPT is a further confirmation of our strategy to supply our customers with complete solutions, reinforcing our positioning on the market of**

**Industrial Automation and completing our offering of high end range of solutions and services** in the new and innovative machine vision technology.”

3 “Datalogic rafforza la propria presenza nel mercato della visione artificiale, caratterizzato da un elevato potenziale di crescita nell’ambito dell’Industrial Automation. PPT Vision è una società americana pioniera nel mercato del Machine Vision con presenza a livello globale; ricavi per circa 6 milioni di dollari nell’esercizio chiuso al 31 Ottobre 2011.

4 Oltre 25.000 sistemi installati nel mondo e 4 brevetti esclusivi sono l’asset tecnologico acquisito da Datalogic

<http://www.datalogic.com/eng/media-center/news/acquisition-of-ppt-vision-inc.-completed-nd-2637.html>

## **11. 2012, Coesia S.p.A. - FlexLink AB**

*Motivations:* Horizontal acquisition, FlexLink is the global leader in production logistics, an area of high added value to the acquirer’s leading industrial customers, broadening product portfolio

18/11/2011

The Coesia Group acquires FlexLink, the world leading production logistics provider

The Coesia Group has signed an agreement for the acquisition of 100% of FlexLink Holding AB from AAC Capital Partners, subject to customary antitrust approval.

With forecast revenues of approx. SEK 1.6 billion for 2011 (approx. Euro 175 million), **FlexLink is the world leader of high end production logistics solutions for the Healthcare**, Consumer Goods (FMCG), Electronics and Automotive industries. Headquartered in Gothenburg (Sweden), FlexLink has more than 800 employees and operates in 26 countries across the world.

"We are very pleased that FlexLink and its excellent management team are joining the Coesia Group. FlexLink is the global leader in production logistics, an area of high added value to our leading industrial customers. **We intend to continue investing in FlexLink's technology platform and global presence**", said Angelos Papadimitriou, Chief Executive Officer of Coesia Group.

Mattias Perjos, CEO of FlexLink comments: "As a part of the Coesia Group, with its solid industrial background, we will further develop and strengthen our know-how and global footprint to the benefit of our customers, partners and employees".

[http://www.gidi.it/en/home/news\\_detail/1354708401703](http://www.gidi.it/en/home/news_detail/1354708401703)

## **12. 2011, Zoppas Industries S.p.A. – Prang + Partner AG**

*Motivations:* Horizontal acquisition, Zoppas Industries, through the acquisition of Prang + Partner, will continue their consolidation strategy on the global manufacturing and engineering heating element technologies market.

Pfungen, Switerland (PRWEB) September 09, 2011

Zoppas Industries, the world leader in the production of electrical heating elements and systems, announced today the acquisition of 100% of Prang + Partner AG, a company based and operated in Pfungen (Switzerland).

Prang + Partner AG, established in 1987, is a leader in the development, manufacturing, and marketing of electrical heating systems and flexible foil heaters. Prang + Partner AG operates and supplies electrical heating products in various market / application sectors, such as Railway, Industrial Coffee Machinery, Laboratory Instrumentation, Medical Equipment, and General Mechanical Engineering. Prang + Partner AG now join the internationally established activities of the Zoppas Industries Group.

**Zoppas Industries, through the acquisition of Prang + Partner, will continue their consolidation strategy on the global manufacturing and engineering heating element technologies market. Prang + Partner AG** will continue to operate in the market under its original brand name.

Zoppas Industries, founded in 1963 with its headquarters in San Vendemiano, Italy employs more than 6500 workers world-wide and proudly adds Switzerland to the host of countries that they already have production facilities established in, including the United States, Brazil, China, Finland, France, Germany, Mexico, and Romania.

[http://www.redorbit.com/news/science/2610389/zoppas\\_industries\\_heating\\_element\\_technologies\\_group\\_acquires\\_prang\\_partner/](http://www.redorbit.com/news/science/2610389/zoppas_industries_heating_element_technologies_group_acquires_prang_partner/)

### **13. 2011, Climaveneta S.p.A. – Climaveneta UK Limited (former Walter Meier)**

*Motivations:* Vertical acquisition (distributors), the purchase of Walter Meier (Climate UK) Ltd. is a further step in Climaveneta's strategy of growth in key markets, the presence in the UK will ensure a stronger support to its long established independent distribution partners

Climaveneta has acquired the chiller distribution in UK from the Swiss based Walter Meier Group. Following the acquisition in 2009 of its distributor in Poland and in February 2011 of an independent distributor in India, the purchase of Walter Meier (Climate UK) Ltd. **is a further step in Climaveneta's strategy of growth in key markets.**

General Manager Maurizio Marchesini commented that Climaveneta is now directly present in service and sales activities in major markets. Climaveneta's direct presence in the UK will ensure **a stronger support to its long established independent distribution partners**, as well as putting the firm in a position to increase penetration with direct promotion and distribution, said Marchesini.

The UK is not only one of the major markets in Europe, but is also home to the headquarters of many international developers, large architecture and engineering firms who are active globally. Climaveneta's long term strategy is **to develop relationships with prestigious UK companies and to improve their already strong market presence from a local base.**

Walter Meier (Climate UK) Ltd., formally known as Climate Equipment, was established in 1964 and is one of the UK's leading distributors of Water Chillers. In 2010, Walter Meier (Climate UK) Ltd. achieved sales in excess of £8.5m and has a team of 45 employees. The current management team remains unchanged and will continue to be responsible for running Climaveneta UK.

Carlo Grossi Climaveneta CEO explained that the Walter Meier Group strategy of focusing on its core product, humidification, was an excellent opportunity for the company to acquire a professionally run distribution and service company focused on its core competence of HVAC and refrigeration.

Climaveneta has an increasing presence in fast growing markets, said Grossi. **The company's strong presence in China is being boosted by the opening this may of a new factory for ITC industry cooling** and in February Climaveneta opened Climaveneta India, states Grossi.

At the same time Climaveneta believes that the traditional European markets justify additional investment as there are excellent opportunities for an innovator like the company in energy saving HVAC solutions, said Grossi.

Climaveneta expects its direct presence in the UK **will ensure a stronger support to the long established independent distribution partners in that country**, as well as putting the Italian based company in the position to increase penetration with direct promotion and distribution.

<http://www.investinuk.net/news/climaveneta-acquires-chiller-distribution-uk-swiss-based-walter-meier-group-56g8>

### **14. 2011, DEMACLENKO IT Srl – Lenko Snow AB**

*Motivations:* Horizontal acquisition, strategic decision to expand the business to also cover snowmaking

“In the year 2011 the LEITNER Group, consisting of among others, LEITNER Ropeways and PRINOTH, made a strategic decision to expand their business to also cover snowmaking.

LEITNER Group bought Demac and Lenko, two now very established companies, and merged them together under the LEITNER umbrella. Thereby acquiring a total of 50+ years' experience. With the merger two chapters in the history of Demac and Lenko have been closed and another one has begun.



Since the winter of 2011 DEMACLENKO is proud to be part of the Group, being able to offer, as the first company in the world, a complete resort building package with lifts from LEITNER Ropeways, groomers from PRINOTH and finally snow guns from DEMACLENKO.

<http://www.demaclenko.com/en/about-demaclenko/history/7-0.html>

### **15. 2010, CSF Srl - MultiOne Nordic Oy AB**

*Motivations:* -

No info

### **16. 2010, Piovan Spa – FDM GmbH**

*Motivations:* Horizontal acquisition, growth by external lines, broadening product portfolio, acquiring know-how.

Acquisito il controllo di un costruttore di dosatori per estrusione.

**Piovan** prosegue nella strategia di crescita per linee esterne: dopo la statunitense **Una-Dyn**, entrata nel gruppo due anni fa, è ora la volta della **FDM GmbH**, con sede a Königswinter. La società veneziana ha annunciato oggi di aver firmato l'accordo per rilevare la maggioranza del costruttore tedesco di sistemi di dosaggio per linee di estrusione.

“L'innovazione qualitativa del prodotto, dettata dalle esigenze del cliente, rimane il centro della nostra strategia di sviluppo - ha commentato **Nicola Piovan**, Presidente e AD del gruppo italiano -. Proprio per questo, abbiamo visto in FDM, nella sua filosofia di prodotto e nel suo approccio al cliente, la risposta che stavamo cercando per crescere in settori per noi molto promettenti”.

Fondata nel 2003, FDM occupa **25 addetti** per un fatturato superiore a **5 milioni di euro**. L'acquisizione consentirà a Piovan di avvalersi dell'esperienza dell'azienda tedesca per sviluppare il settore dell'estrusione. La sinergia tra le due società sarà visibile già nel corso del **K2010** di Dusseldorf, dove nello stand Piovan al Padiglione 9 saranno esposti anche due dosatori marchiati FDM.

[http://www.polimerica.it/index.php?option=com\\_content&view=article&id=8211:piovan-fa-shopping-in-germania&catid=4:uomini%20e%20aziende&Itemid=71](http://www.polimerica.it/index.php?option=com_content&view=article&id=8211:piovan-fa-shopping-in-germania&catid=4:uomini%20e%20aziende&Itemid=71)

### **17. 2010, Silca SpA – Minda Silca JV**

*Motivations:* Horizontal, Kaba subsidiary Silca has increased its stake in the Minda Silca joint venture from 50% to 65% to further strengthen the Minda Silca role in Silca's worldwide manufacturing platform and its position in India's growth market

Rümlang, 24 August 2010 – Kaba subsidiary Silca has increased its stake in the Minda Silca joint venture from 50% to 65%. **This move is intended to further strengthen the Minda Silca role in Silca's worldwide manufacturing platform and its position in India's growth market.**

Minda Silca, based in Noida (near New Delhi, India), was established in 2006 as a joint venture between the Kaba subsidiary Silca S.p.A. and the Indian Minda Group. The company manufactures keys and key cutting machines for the key replacement business and the OEM sector. Since its establishment, the joint venture has continually expanded its activities.

Silca has now increased its stake in the company from the original 50% to 65%. As a consequence, the joint venture will be fully included in Kaba Group's consolidation.

**"Minda Silca is not only a modern production facility with highly qualified employees but also a sales hub in the fast growing Indian market.** The collaboration between Minda and Silca has been particularly successful in the area of joint product developments, including the Silca DUO key cutting machines, and the Silky line of keys. Our move is intended to further build on this extremely successful partnership," says Roberto Gaspari, COO Key Systems Europe/Asia Pacific.

Minda Silca generates annual sales of around CHF 12 million. The parties have agreed not to disclose the purchase price.

[http://www.minda.co.in/minda/PressReleases/minda\\_silca\\_joint\\_venture.pdf](http://www.minda.co.in/minda/PressReleases/minda_silca_joint_venture.pdf)

## 18. 2009, Monti Ascensori S.p.a - Sealift SA

*Motivations:* Horizontal acquisition, rapid growth in the French market (new law that requires increasing maintenance in the elevator's system)

(Teleborsa) - Monti Ascensori S.p.A. comunica che in data 26/05/2009 ha perfezionato l'acquisto, per un valore complessivo di circa euro 1,7 mln tra quota capitale e finanziamento, dell'80% delle azioni della società francese Sealift S.A. con sede in Burgoin Jallieu (Regione Rhône-Alpes, dipartimento Isère) che svolge l'attività di manutenzione, riparazione, ristrutturazione e montaggio di impianti elevatori, con un parco impianti in manutenzione di circa 1380 unità e con un fatturato annuo di circa euro 2,5 mln; Sealift S.A. detiene una partecipazione di controllo (80%) nella società Sealift Côte d'Azur, con sede in Saint Laurent du Var (Regione Provence Alpes Côte d'Azur), anch'essa attiva nel settore della manutenzione e riparazione di impianti elevatori, con un portafoglio di circa 400 impianti prevalentemente localizzati nella zona di Nizza, con un fatturato annuo di circa euro 1 mln.

**L'acquisizione da parte di Monti Ascensori del controllo della compagnia francese consentirà una rapida crescita dell'attività di quest'ultima in un mercato, quello francese delle manutenzioni di impianti elevatori, che è molto interessante, in quanto già da tempo è in vigore la normativa europea in materia di sicurezza degli ascensori che determina per gli operatori locali un consistente incremento del volume dei ricavi e dei profitti.** Sealift inoltre diverrà concessionaria per il mercato d'oltralpe degli impianti nuovi di marca Monti

<http://www.teleborsa.it/News/2009/05/27/monti-ascensori-acquista-il-controllo-della-francese-sealift-738.html#.VRE6wFxLy5I>

## 19. 2008, Riello SpA - Baxi S.A., Burner Factory

*Motivations:* Horizontal acquisition, consolidating market position through the acquisition in France and the establishment of a factory in China; product and process synergies, exclusive supplier for Baxi for 6.5 years

As of July 30, 2009, Burner Factory of Baxi S.A. was acquired by Riello S.p.A. Baxi S.A., Burner Factory engages in production of heating equipments. The asset is situated outside Bordeaux. The factory produced 40,000 units last year. Baxi S.A. is based in Le Blanc-Mesnil, France.

Legnago (VR), 29 lug.-(Adnkronos) - Riello Group, protagonista a livello mondiale nel mercato dei prodotti e dei servizi per il riscaldamento e la climatizzazione, oggi impegnato sul fronte delle energie rinnovabili e focalizzato nello stabilire nuovi standard di risparmio energetico e di rispetto ambientale, potenzia la propria attività siglando **due significative operazioni che lo porteranno a consolidare la propria posizione a livello globale:** un'acquisizione in Francia e l'avvio di una nuova realtà produttiva in Cina. In particolare, sul fronte europeo, Riello ha raggiunto un accordo con il Gruppo Baxi per l'acquisizione della struttura produttiva per bruciatori nella cittadina di Pessac, nei pressi di Bordeaux in Francia. Si tratta di un'operazione caratterizzata da importanti risvolti sia dal punto di vista produttivo che commerciale.

Il Gruppo Riello potrà in questo modo beneficiare degli ulteriori volumi del Gruppo Baxi. Riello si occuperà infatti di curare lo sviluppo produttivo dell'impianto di Pessac con l'obiettivo di innalzarne il **livello di competitività, grazie alle sinergie di prodotto e di processo con la realtà produttiva di Legnago.** L'impianto francese impiega una cinquantina di dipendenti e ha prodotto circa 40.000 pezzi nel 2007.

Sulla base dello stesso accordo, inoltre, **Riello diventerà fornitore unico (con rapporto d'esclusiva) per il Gruppo Baxi per 6,5anni,** ovvero fino al raggiungimento di 200.000 pezzi venduti. Riello continuerà infatti a fornire gli attuali brand del Gruppo Baxi - Roca e Potterton - e acquisirà le forniture per i brand Ideal Standard, Chappée, Brötje e Sicma, consolidando in questo modo la propria presenza sul mercato francese e tedesco.

Contemporaneamente, il Gruppo Riello ha in avviamento a Shanghai una nuova realtà produttiva e commerciale: la Riello Heating Equipment. Circa 10 milioni di Euro l'investimento per realizzarlo.

**L'operazione, cui beneficeranno anche i siti produttivi europei e quello canadese, rappresenta per il Gruppo Riello un importante mezzo di consolidamento della presenza sul mercato cinese e del sud est asiatico oltre che uno strumento per accrescere la sua competitività a livello globale.**

Tutti i componenti provenienti dallo stabilimento cinese e destinati agli altri stabilimenti del Gruppo, assicureranno infatti competitività in termini di costi e, al tempo stesso garantiranno standard occidentali di affidabilità e sicurezza grazie ai rigidi controlli di qualità a cui tutta la produzione sarà sottoposta.

Lo stabilimento, che diventerà operativo entro la fine del 2008 e occuperà a regime circa 180 dipendenti, nello

specifico sarà destinato alla produzione di componenti funzionali destinati alle fabbriche del Gruppo, all'assemblaggio di piccoli bruciatori per il mercato locale, al supporto tecnico, di controllo qualità e di logistica per i componenti acquistati presso fornitori cinesi e, infine, al supporto per lo sviluppo commerciale del mercato cinese.

Ettore Riello, Presidente e Amministratore Delegato commenta: "L'apertura dello stabilimento cinese e la sigla dell'accordo con il Gruppo Baxi rappresentano due pietre fondamentali per un Gruppo che ha chiuso il 2007 con risultati in crescita e che guarda al futuro con grande determinazione, cercando di cogliere ogni opportunità".

Il gruppo ha chiuso il 2007 con risultati in significativa crescita rispetto all'anno precedente: un fatturato di 549 milioni di Euro, un utile netto di 1,1 milioni di Euro e un EBITDA di 72 milioni di Euro (13% sui ricavi).

[http://www1.adnkronos.com/Archivio/AdnAgenzia/2008/07/29/Economia/RIELLO-SIGLATA-ACQUISIZIONE-DI-UN-SITO-PRODUTTIVO-FRANCESE-DEL-GRUPPO-BAXI\\_191725.php](http://www1.adnkronos.com/Archivio/AdnAgenzia/2008/07/29/Economia/RIELLO-SIGLATA-ACQUISIZIONE-DI-UN-SITO-PRODUTTIVO-FRANCESE-DEL-GRUPPO-BAXI_191725.php)

## 20. 2009, Coesia S.p.A. – Sirius Machinery AB

*Motivations:* Horizontal acquisition, acquisition of market share the packaging industry, broadening product portfolio,

Coesia Spa acquisisce Sirius Machinery AB

Coesia, gruppo italiano leader nel settore delle macchine automatiche per il packaging, ha acquisito il 100% di Sirius Machinery AB, leader mondiale nei sistemi di confezionamento per l'industria cosmetica, dalla società di investimento svedese Nordstjernan AB. Arietti & Partners - il team italiano di M&A International Inc., con i colleghi svedesi di Avantus Corporate Finance, ha originato la transazione e assistito i compratori durante tutte le fasi del processo.

Coesia spa, che fa capo all'imprenditrice bolognese Isabella Seragnoli, ha acquisito il 100% delle azioni di Sirius Machinery AB (Sirius) dal gruppo di investimenti svedese Nordstjernan AB. Sirius è leader mondiale nella produzione di macchine intubatrici, astucciatrici, riempitrici per rossetti e vasetti, alimentatrici e sistemi di movimentazione. Il Gruppo Coesia ha una presenza mondiale costituita da 30 unità operative in Italia, Germania, Brasile, Stati Uniti d'America, Spagna e Svizzera e 13 filiali che forniscono servizi di vendita e post-vendita nei principali paesi.

"Con l'acquisizione di Sirius, il gruppo Coesia **ha rafforzato la propria posizione tra i primi produttori al mondo di linee di confezionamento, in particolare nel settore dell'industria cosmetica**", ha precisato Marco Casiraghi, AD di Coesia.

Coesia è un gruppo industriale che controlla un portafoglio multinazionale di aziende di macchine automatiche in diversi settori industriali quali la produzione e il confezionamento di beni di consumo e sistemi di stampa e controllo per l'industria farmaceutica.

<http://www.reggio2000.it/2008/11/04/bologna-coesia-spa-acquisisce-la-svedese-sirius-machinery-ab/>

<http://www.ilsole24ore.com/art/impresa-e-territori/2014-05-02/da-coesia-piano-investimento-estero-sette-milioni-124217.shtml?uuid=ABV7GGFB>

## 21. 2008, Euroimpianti S.p.A. - C&D Skilled Robotics, Inc.

*Motivations:* Horizontal acquisition, strong synergies in resource management, technologies and product, off-shoring production, sales and support in North-America

Euroimpianti SpA acquisisce C&D Robotics, Inc. ed espande la sua presenza in Nord America

Euroimpianti SpA, da 35 anni Leader internazionale nella produzione di sistemi integrati di fine linea (pallettizzazione, Laser Guided Vehicles, Automatic Truck Loading) ha acquisito la C&D Robotics, Inc., Texas da oltre 40 anni leader nella produzione di sistemi robotizzati per il confezionamento, movimentazione, pallettizzazione e distribuzione (Gantry Robots, Specialty Machinery, Mat. Handling Systems). Il nuovo nome della società è C&D Skilled Robotics, Inc.

**L'acquisizione ha un grande valore aggiunto industriale che permetterà forti sinergie nella gestione delle risorse, delle tecnologie e dei prodotti e consentirà al gruppo Euroimpianti di dedicare una notevole capacità locale di produzione, vendita e supporto alla vasta clientela Nord Americana e rafforzare così la sua presenza nel mercato mondiale.**

<http://www.skilledrobots.com/it/news-events/acquisizione-della-cd-robotics>

## 22. 2008, Piovan SpA - Universal Dynamics, Inc

*Motivations:* Horizontal acquisition, market expansion in the US, sharing technologies

Piovan is a broad-line auxiliary equipment company that makes materials-handling equipment, dryers, dosing units, temperature controllers, chillers, mold dryers and granulators. The company had a large presence in the U.S. PET preform market and was strong in Europe, Asia and South America prior to the acquisition. **But the Una-Dyn deal has made Piovan a truly global player.** "Una-Dyn being part of our group makes them our arm in the United States," said Giorgio Santella, Piovan's marketing director for global activities, in an NPE interview. "Auxiliary equipment is perceived as being something on the side, something complementary. But it's not.

"More and more, it's understood that it is part of the process. Coupling the two organizations, we have really gone a step ahead from that perspective." The philosophy at UnaDyn and Piovan is to be a **solutions provider**, not just a product provider.

"Our customers don't just want to buy a dryer, or a blender," Santella said. "They involve us in the process. They say, 'We want to make this cup. How can you contribute?' 'You must provide the value added. Ours is not added to our product, but added to the products our customers produce.'" After buying Una-Dyn, Piovan has sales of about \$180 million and employs around 700 globally. The company has manufacturing operations in Santa Maria di Sala, Italy, near Venice; Osasco, Brazil; Suzhou, China; and Woodbridge. The 60,000-square-foot plant in Woodbridge employs about 100. Piovan was founded in 1936 to produce molds for sheet metal processing. In 1963, the company moved into auxiliary equipment for the plastics industry.

<http://unadyn.piovan.com/en/news/piovan-una-dyn-pushing-forward-in-us-market>

## 23. 2008, Emak SpA - Tailong (Zhuhai) Machinery Manufacturing Equipment

*Motivations:* Vertical acquisition (supply side), supplier control and acquisition of technology low available in the market for the production of cylinders

EMAK S.p.A. (Milano, segmento STAR), uno dei maggiori player a livello europeo nella produzione e nella distribuzione di macchine per il giardinaggio, l'attività forestale, ha acquistato dalle società consociate TECNOL e SELETTRA una partecipazione totalitaria nella società cinese Tailong (Zhuhai) Machinery Manufacturing Equipment L.t.d.

Le società contraenti - EMAK, TECNOL e SELETTRA - sono parti correlate in quanto controllate ai sensi dell'art. 2359, comma primo, n. 1), c.c. da YAMA S.p.A. e, conseguentemente, ricorrono i presupposti di cui all'art. 71-bis, Regolamento Emittenti. Pertanto, sarà reso disponibile al pubblico il documento informativo di cui allo Schema 4, all'Allegato 3B, del medesimo RE nei tempi e nei modi previsti dalla normativa.

La Società target TAILONG (Zhuhai) Machinery Manufacturing Equipment L.t.d., ha sede nella Repubblica Popolare Cinese a Zhuhai - Guangdong, capitale sociale di dollari USA 2.000.000,00 (duemilioni/00) i.v. La società è stata fondata nel 2005 da Tecnol e Selettra, che ne controllano rispettivamente il 70% ed il 30%; **la società, di cui Emak è il principale cliente, produce cilindri nichelati con riporto galvanico per piccoli motori a scoppio. Si prevede che nel 2008 Tailong realizzerà un fatturato pari a circa 5 milioni di euro.**

A seguito dell'acquisizione la società assumerà il nome di EMAK (Zhuhai) Machinery Manufacturing Equipment L.t.d.

**Grazie a questa operazione, Emak acquisisce il controllo di una tecnologia poco disponibile sul mercato per la produzione di un componente strategico per i propri prodotti, visto il ridotto numero di fornitori di cilindri.**

Inoltre, l'acquisizione permetterà di verticalizzare il processo produttivo, portando non solo vantaggi economici, ma consentendo anche un maggior presidio della qualità dei prodotti e garantendo una notevole flessibilità produttiva. Va anche sottolineato che il Gruppo Emak è già presente in Cina con la controllata Jiangmen, e

questo darà la possibilità di creare e sfruttare sinergie organizzative in ambito di ricerca e sviluppo, qualità, supply chain.

[http://finanza.lastampa.it/notizie/0,309598/Emak\\_acquisisce\\_Tailong\\_dalle\\_controllate\\_Tecnol.aspx](http://finanza.lastampa.it/notizie/0,309598/Emak_acquisisce_Tailong_dalle_controllate_Tecnol.aspx)

## **24. 2008, I.M.A. SpA - Ltd. Edwards Tianli Pharmaceutical Systems Co., Ltd.**

*Motivations:* Horizontal acquisition, Acquisition of the remaining stake of the JV to strengthen presence in China in the freeze-dry industry, broadening product portfolio

2008

- Acquisizione del business degli impianti di liofilizzazione costituito dal Gruppo BOC Edwards Pharmaceutical Systems, leader indiscusso in questo settore.
- Acquisizione della cinese Edwards Tianli Pharmaceutical Systems.
- Nuovo assetto organizzativo del Gruppo che prevede quattro realtà, leader nei principali settori: IMA Flavour S.r.l. (Tea & Coffee Packaging Solutions), IMA Active Division (Solid Dose Solutions), IMA Life S.r.l. (Aseptic Processing & Filling Solutions) e IMA Safe S.r.l. (Packaging Solutions).

IMA rafforza la presenza industriale in Cina: Acquisito il rimanente 50% della joint-venture Edwards Tianli Pharmaceutical Systems IMA, leader mondiale nella produzione di macchine automatiche per l'industria farmaceutica e del tè, ha raggiunto un accordo per l'acquisto, dal partner cinese, del rimanente 50% delle quote della joint-venture Edwards Tianli Pharmaceutical Systems Co. Ltd., con sede a Beijing e attiva nella produzione di impianti di liofilizzazione per l'industria farmaceutica.

**L'operazione segue la recente acquisizione del business degli impianti di liofilizzazione costituito dal Gruppo BOC Edwards Pharmaceutical Systems, leader indiscusso** in questo settore e con sede principale negli USA, nonché del 50% delle azioni della jointventure Edwards Tianli Pharmaceutical Systems Co. Ltd. Il prezzo convenuto per l'acquisto del rimanente 50% delle quote della joint-venture

Edwards Tianli Pharmaceutical Systems Co. Ltd. è pari a 9 milioni di euro, interamente corrisposti alla data del closing, che si prevede avverrà nei primi mesi del 2008. Tale cifra include anche un patto di non concorrenza della durata di 4 anni sottoscritto con il proprietario della quota. Al termine dell'operazione IMA avrà il 100% della jointventure che nel 2007 ha raggiunto un fatturato pari a circa 10 milioni di Euro e un utile operativo pari a 1,8 milioni di Euro.

**L'acquisizione rafforza ulteriormente la presenza industriale di IMA in Cina e rappresenta la continuità di una politica che il Gruppo ha perseguito in questo mercato con coerenza per oltre un decennio.** Fondata nel 1961, IMA è leader mondiale nella progettazione e produzione di macchine automatiche per il confezionamento di prodotti farmaceutici e di tè in sacchetti filtro. Il Gruppo ha chiuso i primi nove mesi del 2007 con ricavi in crescita a 311,1 milioni di euro (+14,7%) e un utile operativo a 41 milioni di euro (+71,5%). Il Gruppo conta circa 2.700 dipendenti, di cui oltre 1.100 all'estero, e si avvale di 15 stabilimenti di produzione in Italia, Germania, Regno Unito, Stati Uniti, India e Cina. IMA ha un'ampia rete commerciale, che consiste di 9 filiali con servizi di vendita e assistenza in Francia, Regno Unito, Germania, Austria, Spagna, Portogallo, Stati Uniti, Cina e Thailandia, uffici di rappresentanza nei paesi dell'Europa centro-orientale e più di 50 agenzie che coprono in totale oltre 70 paesi. La Società è inoltre impegnata in 2 joint-venture di produzione ed assistenza tecnica in Cina.

Nell'aprile 2007 il Gruppo ha acquisito l'intero capitale sociale di Zanchetta S.r.l., specializzata nella produzione di macchine per la movimentazione e granulazione delle polveri farmaceutiche. IMA S.p.A. è quotata alla Borsa di Milano dal 1995 ed è nel segmento STAR dal 2001. Fanno parte del Gruppo le seguenti società che operano nei settori farmaceutico e cosmetico: Co.ma.di.s. S.p.A., IMA Kilian GmbH & Co. KG, IMA Libra S.r.l., Nova Packaging Systems Inc., Precision Gears Pvt Ltd., Swiftpack Automation Ltd., VIMA Impianti S.r.l.

<http://www.ima.it/cgi-bin/pdf/press-releases/comstampaboc231107.pdf>

## **25. 2008, I.M.A. SpA – BOC Edwards Group**

*Motivations:* Horizontal acquisition, entering the growing freeze-dry market, technological synergies, broadening products' portfolio

BOLOGNA (MF-DJ)--**Ima** ha acquisito per 36 mln euro il business degli impianti di liofilizzazione costituito dal Gruppo Boc Edwards Pharmaceutical Systems, leader indiscusso in questo settore, con sede principale negli Usa e controllato dalla multinazionale tedesca Linde Ag.

Il contratto di compravendita, si legge in una nota, prevede l'acquisizione del 100% di due societa' attive nella produzione di impianti di liofilizzazione per l'industria farmaceutica (Boc Edwards Pharmaceutical Systems, Inc. in Usa e BOC Edwards Pharmaceutical Systems Bv in Olanda) nonche', in caso di mancato esercizio del diritto di prelazione ad opera dell'altro socio, il 50% delle azioni della joint-venture Edwards Tianli Pharmaceutical Systems Co. Ltd., con sede in Cina.

Il prezzo convenuto per l'intera acquisizione, aggiustato in funzione della posizione finanziaria netta e del capitale circolante, verra' interamente corrisposto alla data del trasferimento, che si prevede avverra' nei primi mesi del 2008, subordinatamente all'ottenimento delle necessarie autorizzazioni. L'operazione, che ha visto l'assistenza contabile e fiscale di PriceWaterhouseCoopers e legale dello Studio Poggi, verra' finanziata mediante apposita linea di credito a medio-lungo termine organizzata da Bnp Paribas -Bnl.

<http://www.milanofinanza.it/news/ima-acquista-per-36-mln-boc-edwards-pharmaceutical-systems-200711231308001018>

Il bilancio proforma 2007 del Gruppo Boc Edwards Pharmaceutical Systems, chiuso al 30 settembre, ha fatto registrare un fatturato di circa 46 mln euro e un Ebitda di circa 2,5 mln. Per il 2008 si prevedono ricavi in crescita a circa 70 mln con un Ebitda di circa 4,2 mln.

**"Grazie a questa nuova e importante acquisizione -ha commentato Alberto Vacchi, presidente e a.d. di Ima intendiamo rafforzare ulteriormente la nostra leadership mondiale nel settore delle macchine per l'industria farmaceutica, con l'obiettivo di raggiungere le quote di riferimento nei singoli segmenti nei quali operiamo, proponendoci alla clientela quale unico fornitore di soluzioni complete. Come gia' sottolineato in altre circostanze, il business della liofilizzazione promette di essere tra quelli in piu' rapida espansione nel settore farmaceutico, con prospettive notevoli nel campo delle biotecnologie.** Il Gruppo Boc Edwards Pharmaceutical Systems e' sicuramente leader mondiale indiscusso negli impianti per la liofilizzazione, settore che abbiamo avuto modo di conoscere approfonditamente negli ultimi due anni, con un eccellente potenziale di crescita (il 90% dei prodotti biotecnologici sono sviluppati nella forma liofilizzata) e con prospettive di espansione a livellomondiale".

"Considerando l'attuale rapporto di cambio euro/dollaro, l'acquisizione del Gruppo Boc Edwards Pharmaceutical Systems -ha proseguito Vacchi- ci consentira' di essere molto competitivi rispetto ai nostri concorrenti europei, in particolare tedeschi. Inoltre, le forti sinergie all'orizzonte tra **Ima** ed il Gruppo Boc Edwards Pharmaceutical Systems consentiranno un significativo miglioramento della redditivita' del Gruppo neoacquisito. **Potremo infine disporre di un secondo stabilimento negli Stati Uniti, principale mercato nella produzione mondiale di farmaci, di una nuova sede in Olanda e, in caso di trasferimento della partecipazione nella joint-venture cinese, di un ulteriore insediamento produttivo in Cina, altro mercato in forte espansione.** L'acquisizione del Gruppo Boc Edwards Pharmaceutical Systems s'inserisce totalmente nella nostra strategia di acquisizioni mirate, **volta a allargare la gia' ampia gamma di machine progettate e prodotte dal nostro Gruppo per l'industria farmaceutica e ci consente di prevedere significativi margini di creazione di valore per gli azionisti che hanno creduto nelle nostre prospettive di crescita e sviluppo".**

<http://www.milanofinanza.it/news/ima-acquista-per-36-mln-boc-edwards-pharmaceutical-systems-2-200711231342001632>

## **2. Apparel, Luxury and accessories industry**

Hereby there has been reported the information about the cross-border deals in the Apparel, Luxury and accessories industry. The information about the reasons and motivations behind the acquisition have been found online in various websites, shown below.

## 2.1 Inbound deals

### 1. 2014, Pyrrho Investment - Mariella Burani

*Motivations:* Acquisition by financial buyers, corporate restructuring, market expansion in the Chinese market

#### **Il marchio Mariella Burani passa a fondo cinese per 2,6 mln**

mar 27 2014 in *Private Equity, Società daBeez*

Il brand **Mariella Burani** diventa cinese. Lo ha rivelato *MF Fashion* martedì 25 marzo, precisando che l'etichetta, protagonista di vicende travagliate negli anni più recenti, è stata acquisita **per 2,6 milioni di euro** da un veicolo di investimento di **Hong Kong**. A passare di mano nel dettaglio, dopo una lunga procedura concorsuale legata al crack che ha colpito l'azienda sul finire del 2000, sono stati gli ultimi asset ancora gestiti dai commissari, ovvero oltre 1.300 vestiti e tutto l'archivio storico (bozzetti e cartamodelli), oltre ai brand del gruppo.

Il velo sul nome dell'acquirente orientale ancora non è stato sollevato dai **curatori fallimentari** Franco Cadoppi, Maria Domenica Costetti e Giovanni Crotti. Ma a giorni arriverà la comunicazione ufficiale del compratore, unico pretendente dopo che la stilista Mariella Arduini in Burani, unico membro della famiglia di imprenditori di Cavriago a non essere mai stata toccata dalla lunga indagine condotta dalla Procura di Milano, e poi da quella di Reggio Emilia, aveva tentato di riprendersi i marchi e quelle che sono state le sue creazioni. Da Oriente spesso e volentieri si sono palesati soggetti interessati al settore moda. L'ultimo in ordine di tempo è stato **Shenzhen Marisfrolg fashion** che lo scorso febbraio ha acquistato il marchio **Krizia** per 35 milioni di dollari. Lo scorso settembre, invece, la conglomerata cinese **Fosun International** aveva acquisito il 35% di **Raffaele Caruso spa**, brand del lusso maschile italiano.

<http://bebeez.it/2014/03/27/il-marchio-mariella-burani-compresi-abiti-bozzetti-passano-fondo-cinese/>

### 2. 2014, Mayhoola for Investments S.P.C - Forall Confezioni (Pal Zileri)

*Motivations:* Financial buyer, corporate restructuring (financial difficulties due to the crisis in the Italian market), geographic expansion in international markets

“Shopping estero in Veneto: Gli emiri comprano Pal Zileri

*Il fondo del Qatar Mayhoola, dopo Valentino, acquisisce la maggioranza della Forall, messa in difficoltà dalla crisi”*

**VICENZA** — Gli emiri comprano, un altro marchio per eccellenza del Made in Italy finisce all'estero. Pal Zileri, un pezzo di storia industriale del Veneto, e soprattutto una storica griffe dell'alta moda italiana, è finita oltreconfine, dirigendosi verso il Qatar. Il fondo della famiglia reale emiratina Mayhoola for investments, la stessa società che due anni fa aveva acquistato il brand Valentino dal fondo Permira (che l'aveva rilevato dalla famiglia Marzotto), valutandolo 20 volte l'ebitda, ha perfezionato l'altro ieri l'acquisto del pacchetto di maggioranza (pari al 65%) del gruppo vicentino Forall spa, che deteneva il marchio Pal Zileri. **Le cifre intorno a cui si è chiusa la trattativa non sono state rese note**. Ma secondo indiscrezioni rilanciate a fine gennaio dalla Reuters, Mayhoola sarebbe stato in concorrenza con un altro fondo asiatico su Pal Zileri **per una valutazione intorno a 100 milioni di euro, includendo 45 milioni di debiti**. Le motivazioni che hanno spinto la famiglia Miola a cedere la maggioranza del pacchetto azionario si possono desumere dai dati del bilancio consuntivo 2012, che mette in luce perdite nette per 4 milioni di euro a fronte di 134 milioni di euro di ricavi.

**A contribuire alle difficoltà finanziarie del marchio di Quinto Vicentino era stata soprattutto la crisi del mercato italiano**. In più il mercato statunitense, che nel settore del tessile non ha ancora registrato riprese, ha ulteriormente messo sotto pressione il marchio veneto. E ancora, spiegano le relazioni ai bilanci, la competizione nei mercati esteri è stata viziata dall'asimmetria dei costi di produzione. **La prima voce rilevante è l'elevato costo del lavoro della produzione italiana**. «Il mantenimento del patrimonio del know how produttivo risulta oggi più difficile per le alte pressioni sul lato dei costi - si legge nella relazione annuale di bilancio di Pal Zileri -

Le soluzioni dovranno necessariamente passare attraverso un miglioramento della produttività e dell'efficienza ». Già a partire dal 2007, Forall- **Pal Zileri aveva cercato un partner per internazionalizzarsi e affrontare con maggior forza i mercati esteri**. Nel 2008 aveva risposto all'appello il capitale dell'egiziana Arafa Holdings che aveva rilevato il 35% del pacchetto azionario lasciando nelle mani della Forall il 65%, ora ceduto a Mayhoola. Arafa non ha voluto esercitare l'opzione di acquisto dell'intero pacchetto azionario, riaprendo a novembre dell'anno scorso la corsa terminata due giorni fa. Con l'operazione di vendita completata venerdì, dunque, il marchio vicentino appartiene (con due quote del 65% e del 35%) a due grandi realtà arabe che, al momento, non hanno reso note le loro intenzioni sul futuro degli stabilimenti produttivi veneti. «Vogliamo garanzie sull'occupazione e sul piano industriale » avvertono Marina Bergamin e Grazia Chisin, segretarie di Cgil e Uil di Vicenza, preoccupate per le sorti degli ottocentocinquanta lavoratori. Anche se i precedenti, tutto sommato, lasciano ben sperare.

«**Finora**, con Valentino, Mayhoola sta lavorando benissimo - frena Gianfranco Refosco della Cisl -. La cosa assurda - aggiunge amaro - è che a credere nel Made in Italy sia uno straniero e non ci siano italiani disposti a investire». Questione ben nota, quella dell'allarme per le acquisizioni estere sulle migliori griffe del sistema moda italiano, che già in occasione della vendita di Loro Piana ai francesi di Lvmh, la scorsa estate, si era trasformato in uno scontro tra il patron di Diesel, Renzo Rosso, e il ministro dello Sviluppo Economico, Flavio Zanonato («Questi sono i risultati di una politica sbagliata, paghiamo il conto di leggi che non favoriscono lo sviluppo», diceva Rosso; «Sei un provinciale», la replica di Zanonato). Preoccupazioni tutt'altro che planetarie. Quelle dei sindacati vicentini sono dettate dal fatto che nell'ultimo anno anche il solo Vicentino è stato luogo di shopping massiccio: la Marly's di Arzignano (Gai Mattiolo e Carlo Pignatelli) è stata acquisita dagli inglesi di Shani Group, mentre la Mcs Italia (ex Marlboro Classic, presente con lo stabilimento di Valdagno) è passata dalla famiglia Marzotto al fondo britannico Emerisque. Il caso Forall-Pal Zileri però è decisamente più eclatante perché si tratta, per il settore del tessile, dello stabilimento produttivo più importante della zona. «La famiglia Miola ci aveva avvertito di essere alla ricerca di un grande investitore per rilanciare seriamente Forall e che fra i requisiti per i potenziali interessati al primo posto c'era la garanzia per occupazione e produzione in Italia», dicono i sindacati. Un'indicazione che lascia ben sperare.

<http://corrieredelveneto.corriere.it/veneto/notizie/economia/2014/10-febbraio-2014/shopping-estero-veneto-emiri-comprano-pal-zileri-2224049230234.shtml>

### 3. 2013, Argos Soditic - Via delle Perle Spa

*Motivations:* Financial buyer, international expansion, additional financial resources, new managerial skills

“Piano di sviluppo nei prossimi 5 anni i cui capisaldi sono la maggiore internazionalizzazione della società, mediante la penetrazione in nuovi mercati geografici anche attraverso aperture di negozi monomarca e mediante **l'arricchimento della gamma prodotto**, con una nuova linea di accessori di alta gamma.

I tre soci fondatori della società, Edmondo Tirelli, Nunziella Saltini e Glauco Verrini hanno commentato attraverso le parole del presidente Tirelli: “L'ingresso del fondo è funzionale ad una maggiore internazionalizzazione della società anche attraverso nuovi investimenti in modo da rendere Via Delle Perle un marchio di rilievo globale”.

Alessio Manigrasso, Investment Manager di Argos: “Via delle Perle è un progetto di indubbio potenziale in uno dei settori maggiormente promettenti nell'attuale contesto economico italiano. L'obiettivo è quello di sviluppare la presenza del marchio VDP a livello internazionale contando su un prodotto di eccellenza del Made in Italy che ha già riscontrato notevole successo all'estero. Per raggiungere quest'ambizioso obiettivo si sta formando un team manageriale altamente qualificato che è il miglior ingrediente per il successo di queste operazioni che vede il connubio tra la consolidata esperienza dei tre soci fondatori, le nuove competenze manageriali apportate dal nuovo amministratore delegato Christopher Bizzio e da Argos, partner non solo finanziario ma anche strategico pronto a supportare la società nella sua evoluzione”.

<http://gazzettadimodena.gelocal.it/modena/cronaca/2013/04/20/news/via-delle-perle-cambia-proprietaria-1.6920103>

[http://www.repubblica.it/economia/affari-e-finanza/2013/07/01/news/la\\_nuova\\_strada\\_di\\_via\\_delle\\_perle\\_export\\_pi\\_forte\\_con\\_argos\\_soditic-62173942/](http://www.repubblica.it/economia/affari-e-finanza/2013/07/01/news/la_nuova_strada_di_via_delle_perle_export_pi_forte_con_argos_soditic-62173942/)

### 4. 2013, Pacific Capital - Nute Partecipazioni SpA (La perla)



*Motivations:* Financial buyer, bankruptcy sale and corporate restructuring, geographic expansion in China, synergies between the Model agency “Elite World” and the luxury fashion underwear

### **La Perla, l'offerta di Scaglia:**

«Ne farò il network del lusso»

MILANO - «Il mio obiettivo? Ricreare un'altra azienda importante». Silvio Scaglia ci tiene da subito a sottolineare che il suo interesse per La Perla (il cui destino sarà deciso dall'asta del 4 giugno) è «imprenditoriale e non finanziario come ipotizzato da alcuni». L'ex fondatore di Fastweb, di passaggio a Milano, riconosce il valore dello storico marchio bolognese (per il quale il fondo Usa Jh Partners, proprietario dal 2007, ha chiesto il concordato preventivo). «È uno dei grandi brand italiani di lusso, noto in tutto il mondo e con grandi potenzialità per essere rilanciato» finito «in un loop negativo tipico delle operazioni di private equity che quando le vendite vanno male pensano solo al taglio dei costi» tanto da portare il fatturato «dai 250 milioni nel 2003 a neanche 100 milioni di quest'anno»

**Ma «il know how c'è**, così come i dipendenti e l'indotto a garanzia di una qualità del Made in Italy tanto apprezzata in tutto il mondo e in particolare in Asia. Ora c'è bisogno di tanto lavoro, tanti investimenti e di un gruppo mondiale come il nostro» che ne supporti il rilancio. Prima Piaggio poi Omnitel e Fastweb, «in primis sono un imprenditore - sottolinea l'ingegnere cinquantaquattrenne - e come tale guardo a La Perla», tanto che Pacific Capital (il fondo lussemburghese di sua proprietà con 800 milioni di attivi,) **fornirebbe i mezzi finanziari mentre l'azionista sarebbe Pacific global management, la holding operativa che possiede Elite World, il network mondiale di «model management»** e Gold Typhoon (ex Emi music China), «la più grande società di produzione e distribuzione musicale in Cina». Sarebbe proprio questo l'«abbinamento vincente» che secondo Scaglia porterebbe le «sinergie necessarie» al marchio di intimo, conteso con Calzedonia.

**Perché Elite non è solo un'agenzia di modelle** ma un «sistema che si occupa a 360 gradi di model management, eventi, scouting, format televisivi e digitali» e che ha aperto di recente in Cina, dove è basata anche Gold Typhoon. Ed è proprio nella Grande Cina che l'imprenditore vede prospettive di sviluppo per La Perla. «Con il network di Elite il marchio potrebbe essere inserito nel fashion system, lanciato attraverso format televisivi. E per capire quanto sia importante questo abbinamento tra eventi, modelle e lingerie basta guardare il successo di Victoria's Secret».

**E l'offerta? La prima proposta** (riassorbimento di 500 dipendenti e 30 milioni) era inferiore all'ultima presentata al tribunale dopo che Jh Partners ha deciso di trattare in esclusiva con Calzedonia. «Eravamo convinti che ci fossero spazi di trattativa con gli americani, così non è stato. Abbiamo dunque formulato la nuova offerta: 110 milioni di investimenti più 45 milioni a copertura di parte del debito e il riassorbimento progressivo di tutti i 700 dipendenti italiani». Con l'obiettivo, se l'operazione andasse in porto del raddoppio di fatturato in un paio di anni. Venerdì i rappresentanti di Sms Finance, la cassaforte di Scaglia, hanno incontrato i sindacati per presentare progetti industriali e di investimento. L'incontro sembra aver attenuato i dubbi dei sindacati, cui Calzedonia sembrava offrire maggiori garanzie industriali e di occupazione.

**La mossa di Scaglia non è piaciuta** al gruppo di Sandro Veronesi che ha annunciato una riflessione. Calzedonia valuterà «se sia il caso di partecipare a una forma di asta competitiva basata su logiche che non tengono conto di aspetti industriali, occupazionali e di sostenibilità economica, ma che privilegiano semplicemente l'offerta più alta». Asta che, all'ultimo momento; pare abbia più pretendenti. Secondo rumors martedì davanti al giudice Maurizio Atzori potrebbero presentarsi anche la Crescent HydePark, società di investimento che ha in portafoglio Miss Sixty e un gruppo industriale israeliano.

[http://www.corriere.it/economia/13\\_giugno\\_03/scaglia-perla-elite\\_0244d7b2-cb3e-11e2-8266-15b8d315b976.shtml](http://www.corriere.it/economia/13_giugno_03/scaglia-perla-elite_0244d7b2-cb3e-11e2-8266-15b8d315b976.shtml)

### **Scaglia to invest 120 millions in La Perla**

*Monday, 23 December 2013*

Silvio Scaglia, Italian entrepreneur and owner of Pacific Capital, has revealed plans to invest over 120 million euros over the next 18 months into the newly acquired company, La Perla Global Management.

Pacific Capital recently acquired the exclusive lingerie company and is set to open 30 new mono-brand flagship stores throughout Asia and Europe. The newly established company will keep on all 700 employees in Italy and aims to boost its current 107 million euros turnover to 150 million euros in 2014, according to newspaper *Il Sole 24 Ore*.

The holding company has reportedly already invested 40 million euros into La Perla, after spending 69 million

euros purchasing the brand and all its assets.

“The 110 million euros that we had originally planned to spend over 18 months to revive La Perla has been underestimated. I need at least another 80 or 90 million euros capital investment for 2014,” said Paolo Barbieri, CEO of Pacific Capital to the Italian newspaper.

“We have just finished creating a new concept for the 45 directly run stores, all of which will be subject of a total refit and we plan to open another thirty stores, twenty in Asia and the rest in Europe,” added Barbieri.  
<http://www.fashionunited.co.uk/fashion-news/design/scaglia-to-invest-120-millions-in-la-perla-2013122319511>

## 5. 2013, Fosun International - Raffaele Caruso

*Motivations:* financial buyer, expand internationally (Asian Market) thanks to the home-country competitive advantages of Fosun and the large amount of capitals

“For the Italian companies that aim to compete at an international level there aren’t only the market quotation and the sale of majority stake as alternatives. There is a third way: **selling a minority stake to a private equity firm**, as chosen by the high-level apparel company “Raffaele Caruso”. In 2013 Fosun International Ltd., the investment arm of China’s biggest closely held industrial group, acquired a 35% stake in Caruso, located in Soragna, Emilia Romagna. Caruso makes 1,500-euro (\$1,988) suits and other apparel in Italy under its own brand and supplies fashion companies including Dior and Lanvin. In 2012 the revenue reached 64.4 million euros, with a growing ebitda of 9.6 % of sales. The goal of the acquisition is, as reported in the public notes, “**To position Caruso as one of the major players in the luxury market**”, supported by the **home-country competitive advantages of Fosun**.

The Ceo of Caruso Umberto Angeloni further explains the reasons behind the decision: “We were looking for a partner that had a long-term vision **and large amount of capital to invest**”. Thanks to the capital increase and to Fosun, the company is looking to enter the growing Asian market that includes, besides China, Singapore, Thailandia and also Vietnam and the Philippines.

Moreover, **Fosun’s investment will help the clothier boost production** by 25 percent, particularly of handmade items, and open stores, Angeloni said.

After the acquisition, the closely held suitmaker will be rebranded Fabbrica Sartoriale Italiana and keep making luxury menswear under the Caruso label. The decision of remove the logo is motivated by Chinese’s changing habits: chinese shoppers are starting to eschew products adorned with logos in favor of more refined and authentic alternatives. According to Patrick Zhong, Fosun’s head of global investments, “The so-called absolute luxury segment, which Caruso is targeting, is the fastest-growing part of the market and will continue to be until at least 2014”.

Sources: <http://www.moda24.ilsole24ore.com/art/industria-finanza/2013-09-12/cinesi-fosun-caruso-angeloni-083957.php?uuid=AblaotVI>

<http://www.bloomberg.com/news/articles/2013-09-11/fosun-to-buy-35-caruso-stake-in-china-lifestyle-push>

## 6. 2013, Emerisque Capital Limited - MCS Italia SpA

*Motivations:* Financial buyer, market expansion in China, Russia, India and Middle East

“Fondato nel 2004, Emerisque è un investitore globale con sede negli Stati Uniti, specializzato nello sviluppo e nella crescita di marchi di moda e di catene. Il gruppo ha investito in particolare in numerosi brand internazionali, tra cui Lee Cooper, Hickey Freeman, Hart Schaffner Marx, Bobby Jones, Jack Nicklaus, Exclusively Misook, Christopher Blue, Palm Beach, Sansabelt e Monarchy. “Da tempo il gruppo Emerisque era alla ricerca di **un brand italiano con una certa massa critica in cui investire e che presentasse interessanti**

**prospettive nei mercati emergenti come la Grande Cina, Grande Russia, India e Medio Oriente.** Con il successo di questa operazione, ci auguriamo di creare una piattaforma che possa costituire la base per ulteriori investimenti in brand italiani”, spiega Massimo Gasparini, presidente non esecutivo per la MCS Apparel e rappresentante italiano di Emerisque Brands.

“MCS possiede un brand riconoscibile per l'impronta ruvida del West americano, ma contraddistinta dalla raffinatezza e dalla contemporaneità tipicamente italiane, che crediamo possa avere la capacità di catturare l'immaginazione di un consumatore globale. Data la nostra esperienza nella gestione e nello sviluppo di brand a livello internazionale, **speriamo di potere supportare MCS nella realizzazione del proprio potenziale negli attuali mercati di riferimento e nell'affermazione in nuovi mercati ad alta crescita**”, spiega l'uomo d'affari indiano Ajay Khaitan, cofondatore di Emerisque Brands ed ex presidente e CEO del gruppo Lee Cooper, uno dei precedenti investimenti di Emerisque Brands.

MCS è presente in 40 mercati in tutto il mondo, tra cui Italia, Francia (il secondo mercato dopo l'Italia), Europa orientale e del Nord, Hong Kong e Medio Oriente. La distribuzione conta oltre 1.400 punti vendita, inclusi 300 negozi monobrand e corner. L'organico è composto da oltre 400 persone, inclusi i dipendenti dei punti vendita.

Il fatturato 2012 di MCS ha superato i 110 milioni di euro, contro 125 milioni nel 2011. "Questa operazione permetterà all'azienda di consolidare ulteriormente l'unicità del proprio posizionamento nel mercato dell'abbigliamento casual", conclude l'AD di MCS Mario Rinaldi.

<http://www.fashionillustrated.eu/2013/04/23/mcs-acquisita-da-emerisque-brands/>

## **7 & 8. 2013, Marcolin – PAI Partners**

*Motivations:* financial buyer, international expansion (Europe and United States), long-term agreement with major brands, to strengthen the distribution side.

**MILANO** - Il fondo Pai ha rilevato il 78,39% del produttore di occhiali Marcolin dalla famiglia Marcolin, dai fratelli Della Valle e da Antonio Abete al prezzo di 4,25 euro per azione. A seguito dell'acquisto scatterà un'Opa allo stesso prezzo sul flottante in Borsa: un'operazione che valuta la società 264 milioni di euro. Dopo le indiscrezioni delle ultime settimane è quindi arrivata la conferma dell'operazione tra i soci del patto e il fondo di private equity guidato da Raffaele Vitale che ha rilevato il controllo della società. L'acquisto sarà effettuato tramite Cristallo spa, società che fa capo ai fondi Pai e a cui parteciperanno indirettamente con una quota del 15% alcuni dei venditori, ovvero Maurizio, Cirillo e Giovanni Marcolin, i fratelli Della Valle e Antonio Abete. Tra i soci venditori anche il numero uno della Diesel Renzo Rosso e Isabella Seragnoli, entrambi col 2% a testa.

Su Marcolin verrà firmato un patto di sindacato tra Pai e gli azionisti che prevederà, tra l'altro, una loro rappresentanza in Cda e nel collegio sindacale e un periodo di lock-up di tre anni. **"Pai Partners - si legge nella nota - supporterà Marcolin nella successiva fase di crescita, investendo nella espansione dell'impronta internazionale della società e in accordi di lungo periodo con i principali marchi"**. Il portafoglio di Marcolin, con sede a Longarona (Belluno), include, tra gli altri, Tom Ford, Roberto Cavalli, Diesel, Montblanc, Tod's e Hogan, Balenciaga, Swarovski, Timberland.

Insomma, insieme a Pai, Marcolin avrà i capitali **per rafforzarsi laddove è debole, vale a dire nella distribuzione dei suoi modelli**, in modo da competere su pari basi con rivali del calibro di Safilo e Luxottica. L'idea sarebbe quella di aprire mini boutique dell'occhialeria di lusso, per spingere soprattutto le collezioni disegnate dal gruppo veneto. Nel primo semestre la società ha realizzato ricavi in lieve calo a 121,4 milioni a fronte di 12,6 milioni di profitti. Ma Marcolin ha una posizione finanziaria molto solida: a fine giugno il gruppo aveva un patrimonio netto superiore a 100 milioni e un indebitamento consolidato di appena 3,8 milioni.

"Vediamo un eccellente potenziale per lo sviluppo del **business, così in Europa e negli Stati Uniti come, in particolare, nei mercati emergenti, dove la domanda di prodotto è in rapida crescita**. La nostra collaborazione con la famiglia Marcolin, nonché con Diego e Andrea Della Valle e Antonio Abete, in relazione a questo investimento è molto importante al fine di supportare l'espansione del business" ha dichiarato Raffaele Vitale, partner di Pai. "Sono fiducioso sul fatto che" Pai sarà "in grado di apportare un significativo valore aggiunto alla Società, supportando la nostra internazionalizzazione e consolidando la nostra posizione di forza

sul mercato", ha aggiunto Giovanni Marcolin Coffen, presidente di Marcolin.

A fare da trait d'union tra gli azionisti e il fondo è stato Giovanni Zoppas che prima di arrivare alla guida di Marcolin aveva maturato una lunga esperienza nel Gruppo Coin rilevato da Pai nel 2005 direttamente dall'omonima famiglia veneta: dopo un processo di ristrutturazione ha venduto le insegne della catena di grandi magazzini proprio lo scorso anno, e in questi sei anni Vitale aveva lavorato al fianco di Zoppas, che di Coin era il direttore finanziario e direttore generale.

[http://www.repubblica.it/economia/2012/10/15/news/venduta\\_marcolin\\_a\\_pai\\_partners-44555104/](http://www.repubblica.it/economia/2012/10/15/news/venduta_marcolin_a_pai_partners-44555104/)

## 9. 2012, The Carlyle Group LP - Twin set Simona Barbier SpA

*Motivations:* financial buyer, to provide the financial and managerial resources that are necessary to seize the opportunities offered by both the Italian and international fashion markets, partnership with Light Force

PRESS RELEASE

Thu, 28 June 2012 2012-032

*The Carlyle Group Acquires Majority Stake in Life Force SpA and Forms Partnership with Entrepreneurs Tiziano Sgarbi and Simona Barbieri to Grow Apparel Brand 'Twin-Set Simona Barbieri' Product Development and International Growth Planned*

Milan –The Carlyle Group today announced it has signed a definitive agreement to purchase a majority stake in Light Force SpA, owner of Italian womenswear brand Twin Set Simona Barbieri, from founders Tiziano Sgarbi and Simona Barbieri and Italian-based growth capital fund DGPA Capital. Integral to the transaction, Carlyle has formed a partnership with Mr Tiziano Sgarbi and Mrs Simona **Barbieri to develop and grow the Twin-Set brand**. Mr. Sgarbi and Mrs. Barbieri will continue to manage day-to-day operations at the company and will retain a significant minority interest in Light Force SpA. DGPA Capital will divest its total holdings. Terms of the transaction, which is expected to close in August 2012, were not disclosed.

“Light Force has gained market share and prestige in the Italian apparel market thanks to the extraordinary talent and outstanding work of its founders and the support of its shareholders,” said Marco De Benedetti, Managing Director and Co-head of Carlyle Europe Buyout. “We are delighted to continue the work already started and together with the founders we look forward to bringing the company through the next stage of growth. **We’ll do so by providing the financial and managerial resources that are necessary to seize the opportunities offered by both the Italian and international fashion markets.**”

Over the last four years, the Twin Set Simona Barbieri brand has delivered significant revenue growth. In 2011 revenues exceeded € 103 million, an increase of almost 400% since 2007.

**Light Force is headquartered in Carpi (Modena, Italy) and, with approximately 300 employees, is one of the fastest growing Italian companies in the womenswear “accessible luxury” sector.** In addition to 16 dedicated Twin-Set stores, the collection is distributed through a network of authorized retailers and a dedicated online sales channel.

**“I am convinced that partnership with a global, committed and highly experienced private equity firm can benefit Italian companies.** This is particularly true for our company, which aspires to grow in size and seize the opportunities coming from international markets that value the ‘Made in Italy’ label of quality,” said Tiziano Sgarbi, Founder and CEO of Light Force. “We expect our partnership with Carlyle to deliver significant value creation and growth opportunities for the brand.”

“I am so pleased the Twin-Set brand continues to find strong appreciation and recognition from both our customers and the people who interact in various ways with the company and its work,” said Simona Barbieri Founder and Creative Director of Light Force. “Together with my creative team, we have many important new ideas and we are ready for exciting new challenges in our partnership with Carlyle.”

“We are pleased with the direction taken by the founders of Light Force,” said Roberta Benaglia Founder and Managing Director of Dgpa Capital fund. “Together with them we exceeded the objectives we set for ourselves at the time of our entry in 2008. We believe that the same values, skills and enthusiasm that allowed us to achieve our growth plan will enable the company to successfully tackle the next stage of development.”

Capital for this investment will come from Carlyle Europe Partners III L.P., a 5.3 billion Euro fund that makes mid and large cap investments.

<http://www.carlyle.com/news-room/news-release-archive/carlyle-group-acquires-majority-stake-life-force-spa-and-forms-partner>

**CARPI (Modena)** - E' stata finalizzata ieri l'acquisizione da parte di The Carlyle Group, società internazionale di alternative asset management, di una quota di maggioranza del capitale sociale di Light Force S.p.A. - società cui fa capo il marchio italiano di abbigliamento femminile Twin-Set Simona Barbieri – dai soci fondatori Tiziano Sgarbi e Simona Barbieri e dal fondo italiano di private equity DGPACapital .

Al finanziamento dell'operazione di Leveraged Buy Out, promossa da The Carlyle Group in partnership con i

soci fondatori, hanno partecipato Banca IMI, MPS Capital Services e UniCredit in qualità di Arrangers e Bookrunners, Banco Bilbao Vizcaya Argentaria S.A. in qualità di Arranger, insieme a Meliorbanca (Gruppo Bper), Cariparma Crédit Agricole e Centrobanca Spa (Gruppo UBI Banca). UniCredit riveste anche il ruolo di Banca Agente dell'operazione.

Nell'operazione le banche sono state assistite dallo studio legale Linklaters, Carlyle da Latham & Watkins come advisor legale e da Euromobiliare come advisor finanziario. Sgarbi, Barbieri e DGPA Capital sono stati assistiti dallo Studio Rinaldi e da N+1 Syz come advisor finanziari, e da Calandra, Buonaura & Andreoli, e Russo, De Rosa, Bolletta & Associati come advisor legali.

Light Force S.p.A fondata a Carpi (MO) nel 1990 è attiva nella produzione e distribuzione di maglieria e abbigliamento femminile di fascia alta a marchio Twin-Set Simona Barbieri.

Negli ultimi quattro anni il brand Twin-Set Simona Barbieri è stato protagonista di una crescita esponenziale dei propri ricavi che nel 2011 hanno raggiunto la cifra di 103 milioni di euro in crescita del 400% rispetto al 2007.

Light Force, con circa 300 dipendenti, è una delle società a più alto tasso di crescita nel settore dell'abbigliamento femminile e del lusso accessibile.

Le collezioni Twin-Set Simona Barbieri sono distribuite attraverso 16 boutique a marchio proprio, una rete di rivenditori autorizzati e un canale dedicato di vendite online.

<http://www.modenaonline.info/?q=content/twin-set-simona-barbieri-la-maggioranza-a-carlyle>

## 10- 13. 2012, E.Land - Coccinelle Spa, Mandarina Duck Spa, Belfe Spa

*Motivations:* vertical integration (supply side), expansion in Asian market, synergies between the fashion and retail businesses

C'è anche un po' di Corea nel made in Italy. Silenziosi, discreti e senza clamori, i coreani di E-Land da un paio d'anni hanno fatto shopping in Italia, rilevando alcuni marchi molto noti: attualmente hanno in portafoglio Belfe (abbigliamento sportivo, tecnico e citywear), il gruppo calzaturiero Lario (che comprende anche il marchio storico di Sutor Mantellassi), Mandarina Duck (azienda di prodotti di pelletteria e accessori di design) e l'ultimo arrivato è Coccinelle (pelletteria, vedi articolo a fianco). Una campagna acquisti in piena regola effettuata senza grandi clamori e senza eccessive rivoluzioni all'interno delle imprese: **l'obiettivo finale è quello di mantenere intatto il fascino made in Italy delle aziende in portafoglio.** Storia Per capire le mosse di questo investitore asiatico bisogna prima conoscerne la storia: E-Land è un colosso che si occupa di distribuzione moda, un gigante da 7 miliardi di dollari di fatturato nel 2011 che ha come competitori diretti altri grandi distributori come gli svedesi di H&M, gli spagnoli di Zara e gli americani di Gap. Il colosso coreano è in mano a un unico uomo, il fondatore Park Song-soo, che lo conduce con un management multietnico, considerato che ha in portafoglio più di 60 marchi acquistati in tutto il mondo. **E-Land è un distributore moda** nato per un target medio-basso in Corea, ma che ha subito guardato alle potenzialità di sviluppo del mercato cinese già negli anni '90: il gruppo vanta 4.900 negozi in Corea e 3.840 in Cina dove, anche nel 2011, la presenza aumenta di circa mille negozi l'anno. Ma la Cina non basta e allora si guarda all'Italia come al paese della moda e del gusto. «E-Land non ama esibire il suo marchio - spiega Cristiano Ottonelli, amministratore delegato del gruppo Lario e uomo di fiducia del gruppo coreano in Italia -. A differenza di Zara e H&M, non apre catene a proprio nome, **ma punta a valorizzare i marchi con negozi monomarca nei mercati internazionali.** L'avvicinamento all'Italia è avvenuto in fasi diverse. E-Land adesso vuole differenziarsi e punta a un target medio-alto. **Porterà i marchi italiani alla diffusione in Asia ma accertandosi che rimangano produzioni made in Italy**». Stabilità In effetti nessuna delle realtà rilevate dai coreani ha vissuto grandi rivoluzionamenti né di management né di struttura produttiva. Eppure le aziende acquisite presentavano situazioni diverse di partenza: Belfe (comprata nel 2010) era un marchio un po' appannato che bisognava rilanciare magari modificando qualcosa anche nella struttura produttiva. Anche Mandarina Duck è entrata in portafoglio in un momento di sofferenza e adesso sta puntando sull'espansione del suo network di distribuzione, sia attraverso l'ingresso in nuovi mercati, sia con il consolidamento di quelli già esistenti, anche con la realizzazione di prodotti dedicati, sviluppati nel segno del design, carattere distintivo del brand. L'acquisto del gruppo Lario (che comprende un nome storico e dell'artigianato di lusso come Sutor Mantellassi) rappresenta invece un salto qualitativo notevole. «Bisogna distinguere la produzione Lario da quella Sutor - precisa Andrea De Vitis, direttore artistico del gruppo -. Lario è il marchio alto di gamma capace di competere con la prima fascia del settore calzaturiero, Sutor è il prodotto sperimentale destinato a un pubblico competente e di fascia molto alta. Per entrambi i marchi il tratto distintivo rimane il made in Italy e l'artigianalità. In fondo E-Land ci ha scelti proprio per questo: la capacità di coniugare

lo stile e l' eccellenza italiana. **Grazie alla casa madre siamo pronti a incrementare l' internazionalizzazione dell' azienda potenziando soprattutto la nostra presenza in Asia**». Sono proprio gli obiettivi a incuriosire: considerato che E-Land non è un fondo di private equity, dovrebbe dare continuità alle sue acquisizioni. Con quali strategie? «Si tratta dell' incontro tra due anime - spiega Ottonelli -. **Un colosso specializzato nell' apertura di negozi e nella distribuzione si accosta ad aziende che si sono affermate per la qualità dei loro prodotti. Se la sintesi di queste due anime funzionerà, tutti ne trarremo grandi benefici in un momento complesso e selettivo come quello attuale**».

La guida di Coccinelle andrà ad Angelo Mazzieri, attuale azionista, per garantire la continuità del marchio in forte crescita. Per E.Land si tratta dell'ennesimo colpo di mercato messo a segno in Italia. Nei mesi scorsi, sempre dall'ex Mariella Burani Fashion Group aveva rilevato il controllo di Mandarin Duck, affidata oggi alle cure di Christopher Bizzio (già Ad di Mosaicon).

E.Land Group currently takes part in fashion apparel, hypermart retail, fashion outlet malls, department stores, hotels and restaurant businesses. It currently focuses on vertical integration of production and distribution of consumer goods that include apparel, groceries and housewares. Products are sold through two different channels, namely, approximately 5,000 franchise stores and E.Land Group owned stores consisting of 25 premium fashion discount stores, two department stores and 32 discount stores.

The strength of E.Land Group lies in its ability to generate **synergies between its fashion and retail businesses**, and this strategy being implemented through a business portfolio that includes infant wear, children's wear, women's wear, sports wear and underwear and a multitude of channels such as outlets, department stores and super supermarkets.

[http://archiviostorico.corriere.it/2012/maggio/14/Land\\_ponte\\_asiatico\\_del\\_made\\_ce\\_0\\_120514029.shtml](http://archiviostorico.corriere.it/2012/maggio/14/Land_ponte_asiatico_del_made_ce_0_120514029.shtml)

## **12. 2011, JAB Luxury GmbH (ex Labelux) - Clothing Company Spa (Belstaff brand)**

*Motivations:* strategic buyer, Belstaff has a development plan which will be accelerated with the support of Labelux, notably in the fields of geographical expansion and product extension.

### **JAB Holdings takes direct control of Jimmy Choo and Belstaff**

Jul 1, 2014

German holding JAB which owns U.S. beauty giant Coty Inc., coffee maker Douwe Egberts and part of consumer goods company Reckitt Benckiser, has announced it finalized restructuring plans of its luxury businesses, bringing Jimmy Choo and Belstaff under the direct management of the investment arm of the group. Reinhard Mieck will step down as CEO, Labelux, JAB said in a memo according to Bloomberg. Labelux, which also owns Zagliani and Bally, “is no longer necessary,” the company said.

**The new structure reflects JAB’s “increasing commitment to luxury goods as a key pillar in the JAB Holdings portfolio,”** Peter Harf, the JAB senior partner who will manage the luxury business. JAB also named Fabio Fusco partner and chief financial officer of its luxury division. He will oversee JAB Luxury with Harf, according to the memo. The move won’t result in redundancies across the businesses, JAB said.

Labelux, which bought Jimmy Choo in 2011 for more than 500 million pounds (\$855 million), earlier this year held preliminary meetings about a possible sale of a stake of the shoemaker via an IPO.

A statement on the Labelux corporate website reads: ‘In July 2014 the portfolio of iconic luxury brands within the Labelux holding structure were fully integrated into parent group JAB Holdings. JAB management now directly oversee the iconic Jimmy Choo, Bally, Belstaff and Zagliani brands, similar to all other companies in the JAB portfolio.’

<http://www.cpp-luxury.com/jab-holdings-takes-direct-control-of-jimmy-choo-and-belstaff/>

### **LABELUX ACQUIRES BELSTAFF**

Swiss luxury goods company, **Labelux Group, announced that it has acquired Belstaff, the English iconic outerwear company from Clothing Company Spa.** Terms were not disclosed. Belstaff has an ambitious development plan which will be accelerated with the support of Labelux, notably in the **fields of geographical expansion and product extension.**

Commenting on the acquisition, Reinhard Mieck, Chief Executive of Labelux, said: “We are delighted to

announce this acquisition. Belstaff is a unique asset with great heritage, a strong following and a very promising future as a major international luxury brand. I look forward to announcing our exciting plans for Belstaff in the near future.”

Clothing Company founder, Franco Malenotti, said: “Belstaff has represented 15 years of my life. [...] My sons Manuele and Michele and I will look with pride at future Belstaff challenges, thinking that we have been an important part of this story.”

The Belstaff business currently operates 14 owned stores and is present in more than 1,000 points of sale worldwide. Labelux has built a strong portfolio of brands in luxury fashion, leather, accessories, and jewelry. Labelux’s portfolio includes Swiss luxury brand, Bally, New-York based apparel label Derek Lam, London-based jeweller Solange Azagury-Partridge, Italian accessories company Zagliani and the recently acquired business, Jimmy Choo.

[http://www.sportswearnet.com/businessnews/pages/protected/LABELUX-ACQUIRES-BELSTAFF\\_4301.html](http://www.sportswearnet.com/businessnews/pages/protected/LABELUX-ACQUIRES-BELSTAFF_4301.html)

“Nel suo viaggio, oltre mezzo secolo dopo, in mano al gruppo inglese James Halstead Belstaff finisce in rosso a causa della crisi tessile inglese dell’ultima parte di secolo. Poi, nel 2004 il marchio passa alla Clothing Company di proprietà di Franco Malenotti, licenziatario per l’Italia sin dai primi anni 90. La strada di Belstaff finisce di nuovo per imboccare curve poco tranquillizzanti in termini di bilancio, e l’imprenditore romano decide di cedere il business. Il passaggio di consegne è datato 2011, anno in cui Belstaff viene acquisito da Labelux che, all’epoca, aveva già in portfolio Bally oltre ai gioielli di Solange Azagury-Partridge, Derek Lam e Zagliani (si sarebbe aggiunto, di lì a un mese, anche Jimmy Choo). Sembra l’avvio di un nuovo viaggio. In realtà, le aspettative restano elevate, ma ancora non viene annunciata la linea del traguardo, complice una ostinata segretezza dei bilanci. A luglio, arrivano le dimissioni del CEO. Di sicuro, c’è che molto del futuro di Belstaff dipenderà dalla scelta di posizionamento di Labelux nel risiko mondiale del lusso. Labelux è un ibrido tra una holding di partecipazioni e un family office creato nel 2008 con l’obiettivo di costruire un nuovo polo di marchi di lusso. **La strategia sembra chiara fin dagli inizi. La crescita è per acquisizioni: puntare su brand da sviluppare e rilevarne la proprietà garantendo loro, almeno sulla carta, un orizzonte temporale sul medio-lungo periodo e un’autonomia identitaria. segnali chiarissimi al mercato** – spiega Slatkin –. Di due tipi, in sostanza: prima di tutto c’è il prodotto, con le collezioni presentate a Londra nel febbraio scorso e in questi mesi a New York e poi ancora Londra e ora a Milano. E poi ci sono le scelte retail, con l’annuncio delle aperture in Bond Street, Madison Avenue a New York e via Spiga a Milano, perché via Borgogna, anche se a due passi dal quadrilatero della moda, non ci bastava. L’importante però era che il mercato raccogliesse questi segnali. L’ha fatto: tutti i department store più importanti del mondo, a partire da quelli americani, hanno posizionato le collezioni Belstaff accanto ai marchi del lusso italiani e francesi. Tutti i multimarca più raffinati hanno fatto ordini importanti per il 2012, nonostante la grande pulizia che abbiamo fatto nel canale wholesale, il fatturato con ogni probabilità crescerà. E siamo solo all’inizio».

<http://www.pambianconews.com/approfondimenti/strada-curve-la-corsa-belstaff-2/>

#### **14. 2008 JH Partners LLC - Nute Partecipazioni SpA (La perla)**

*Motivations:* financial buyer, distressed and company restructuring

JH PARTNERS ACQUISISCE IL 30% DEL GRUPPO LA PERLA

Bologna, 20 ottobre 2008 – JH Partners, società di private equity che ha acquisito nel luglio 2007 il 70% del Gruppo La Perla, annuncia il raggiungimento di un accordo con Nute Partecipazioni, la holding del dottor Alberto Masotti, per la cessione del rimanente 30%. In seguito a questa operazione, JH Partners controlla il 100% del Gruppo La Perla.

“Questo è stato un altro passo nel processo. L’aver acquisito il restante 30% è un’ulteriore conferma del nostro entusiasmo per La Perla e la fiducia nelle sue prospettive di crescita. Lo scorso anno abbiamo fatto grandi progressi per rilanciare la società, **implementando l’efficienza delle nostre operazioni e la profittabilità dell’attività**”, commenta Jeff Hansen, partner di JH Partners e Amministratore Delegato di La Perla.

“Tali cambiamenti sono essenziali per mettere la società nella condizione di crescere ancora e competere efficientemente in un mercato sempre più ricco di sfide, il nostro obiettivo è quello di raggiungere crescita e profittabilità, e di riposizionare La Perla come uno dei più riconosciuti marchi italiani del lusso nel mondo, rispettando al contempo la sua importante storia e rimanendo fedeli ai suoi principi fondamentali”, conclude Jeff

Hansen.

Azionisti e consiglieri di La Perla vogliono ringraziare la famiglia Masotti, che ha scelto di ritirarsi dall'attività aziendale.

Advisers di JH Partners, anche in questa operazione sono stati il team di AdviCorp, condotto da Andrea Mandel-Mantello per la parte finanziaria ed il team di Gianni Origoni Grippo, condotto dall'avvocato Cesare Vento per la parte legale.

JH Partners LLC

JH Partners LCC, con sede a San Francisco, California, è una società di Private Equity specializzata in investimenti in aziende retail e consumer con elevato potenziale di crescita, e con una particolare attenzione ai marchi del lusso. JH Partners si distingue dagli altri fondi di private equity per la significativa esperienza professionale che ogni senior manager vanta nella gestione diretta di società del settore. JH Partners ha sempre fornito un contributo essenziale per lo sviluppo di marchi ad elevato potenziale di crescita investendo in numerose società, di cui tre già quotate in borsa. Tra gli investitori istituzionali figurano le più prestigiose università americane. Attualmente JH Partners gestisce investimenti per un ammontare totale di 550 milioni di dollari.

<http://imagebuilding.tiscalibusiness.it/comunicati/jh-partners-acquisisce-il-30-del-gruppo-la-perla/>

## 15. 2008, Stirling Square Capital Partners and Sirius Equity - Jeckerson Spa

*Motivations:* Financial Buyer, the company has recently launched a strategy of international growth focused on selected export markets, continuing brand extension in Italy

Stirling Square Capital Partners ("SSCP"), the pan-European private equity firm, and Sirius Equity ("Sirius"), the retail and branded luxury goods investment specialist, announced today that they have signed an agreement to acquire Jeckerson ([www.jeckerson.com](http://www.jeckerson.com)), the Italian premium sportswear brand, from Blue Fashion Group.

The management buy-out values Jeckerson's enterprise and equity at €140m and €125m, respectively, and marks the end of a 5-month competitive process run by Corporate Value of Marco Colacicco. Interbanca and MPS Capital Services acted as joint debt underwriters in the transaction.

Established in 1995, Bologna-based Jeckerson is a leading brand in Italy's sportswear segment and the market leader in men's premium trousers. The iconic Jeckerson trousers are sold in 600 independent multi-brand retailers throughout Italy. The company's policy of highly selective distribution ensures that its products are only sold in partner stores which serve consumers with the extended Jeckerson range.

Over the past four years, Jeckerson **has outperformed the broader Italian apparel market**. This has been driven by its distinctive design, construction and fit, consistent quality and a loyal customer base that **has led retailers to experience best-practice sell-through in excess of 90%**. **The company has recently launched a strategy of international growth focused on selected export markets.**

**SSCP and Sirius are backing the existing management team led by Gianni Cantarelli** in a two-pronged plan focused on continuing **brand extension in Italy and new sales development internationally**. Jeckerson will also enhance its recognition through an increase in its marketing and advertising activity and develop its own retail presence selectively.

SSCP sourced and structured the transaction and has taken majority control of Jeckerson. Robert Bensoussan, founder of Sirius and most recently CEO of Jimmy Choo, will be non-executive chairman of Jeckerson. Beside SSCP and Sirius, a subsidiary of Goldman Sachs International has also invested in the transaction. Massimo Piombini, Vice President Global Sales of the Bally Group, will join the Board of Directors of Jeckerson.

Gregorio Napoleone, who led the transaction for SSCP, said: "We are delighted to partner with the Jeckerson team and support them in their next phase of development. We look forward to working with Jeckerson's entrepreneurial management on the transformation of this business from Italian champion to international leader".



Robert Bensoussan said: “We have been impressed by the performance of Jeckerson and believe it has a strong base on which to build further market, channel and category expansion. We are excited about working with the management team, contributing our vision and experience towards the realization of the development plan”.

Gianni Cantarelli, CEO of Jeckerson, said: “With the active support of our new shareholders and directors, we expect Jeckerson to quickly mature into a more established international player while continuing to outperform its reference markets. This transaction provides a unique strategic fit for our company at this juncture”.

<http://www.stirlingsquare.com/News/31/Stirling-Square-Capital-Partners-and-Sirius-Equity-announce-the-acquisition-of-Jeckerson%2c-the-Italian-premium-sportswear-brand%2c-for-€140m>

## 16. 2008, 3i Group - Mosaicon Spa

*Motivations:* financial buyer, favoring international growth in China and India, development of distribution and industrial synergies to value the brands in the emerging markets

**3i sells Mosaicon stake** Private equity house 3i has sold its 58.37% stake in leather goods distributor Mosaicon to Antichi Pellettieri for €7.5m. Antichi Pellettieri, which also produces leather goods, already holds a significant stake in Mosaicon. The new parent company is listed on the Milan Stock Exchange and controlled by Mariella Burani Fashion Group, which went into administration in March 2010.

**3i gains control of Mosaicon** UK-based private equity firm 3i has gained control of Mosaicon (formerly Antichi Pellettieri Bags), following the debt restructuring of the parent company Antichi Pellettieri. 3i had initially acquired its stake in the business in June 2008 in a €118m expansion deal. The binding agreement between Antichi Pellettieri and 3i, sees the latter increase its stake in Mosaicon from 49% to 64% without further capital increases.

<http://www.unquote.com/southern-europe/official-record/2099755/3i-sells-mosaicon-stake>

<http://ricerca.repubblica.it/repubblica/archivio/repubblica/2009/12/07/il-poker-di-mosaicon-per-sbancare-la.html>

### **3i compra il 49% di Antichi pellettieri bags**

*lunedì 23 giugno 2008*

Il gruppo 3i ha sottoscritto un accordo con Antichi Pellettieri, divisione leather goods di Mariella Burani Fashion group, per l'acquisizione del 49% della neo costituita Apb, Antichi pellettieri bags, società dove confluiranno le partecipazioni in Francesco Biasia, Braccialini, Coccinelle, nonché Mandarin Duck.

Per acquisire il 49% di Apb, 3i investirà 128 milioni di euro. Di questi, 118 saranno corrisposti al closing e 10 milioni al raggiungimento di performance da parte di Apb. Grazie a questa operazione il gruppo Antichi Pellettieri annullerà la propria esposizione debitoria, registrando una posizione finanziaria netta consolidata positiva.

3i Group, quotato al London stock exchange dal 1994, è tra le 250 più grandi società per capitalizzazione quotate a livello europeo. Con la sua presenza in 14 paesi tra Europa, Asia e America, il gruppo ha realizzato investimenti per oltre 25 miliardi di euro. **La partecipazione di 3i contribuirà ad accelerare in maniera significativa lo sviluppo di Apb sui mercati di Cina e India.** “L'operazione si inquadra nella strategia delineata dal management di Antichi pellettieri che prevede lo sviluppo di sinergie distributive e industriali atte a valorizzare maggiormente i brand di Apb nei mercati emergenti”, ha sottolineato Giovanni Stella, amministratore delegato di Antichi Pellettieri.

[http://www.fashionunited.it/News/Columns/3i\\_compra\\_il\\_49%25\\_di\\_Antichi\\_pellettieri\\_bags\\_200806232269/](http://www.fashionunited.it/News/Columns/3i_compra_il_49%25_di_Antichi_pellettieri_bags_200806232269/)

## 2.2. Outbound deals

Following Lombardy, Veneto is the second top region in Italy performing acquisitions abroad in the apparel industry with 11 deals, targeting companies all around the world. As a matter of fact there are no specific target countries that the North-East companies acquire.

### 1. 2014, Calzedonia – Calin S.A. (Greece)

*Motivations:* Vertical integration (distribution side) in Greece

“Greek clothing company Elve SA announced today it had sold 51% of its subsidiary Calin SA for a total consideration of EUR11.5m (USD14.6m). According to the statement from Elve, 49% of the shares sold were acquired by Italian sector player Calzedonia Holding SpA . is a well-established company including large chain of shops, involving the high added value clothing, lingerie and beachwear brands CALZEDONIA, INTIMISSIMI, and TEZENIS of CALZEDONIA SPA ITALIA which are all internationally well-know.”

### 2. 2012, Forall Confezioni S.p.A. - Forall Confezioni Pacific Limited

*Motivations:* Vertical acquisition, Acquisition of distributors in HK

“Withers LLP ha assistito la Forall Confezioni SpA nell’acquisizione di una partecipazione pari al 60% della Forall Asia Pacific Limited, joint venture fra Forall e il suo partner di Hong Kong Wide Sunny (dell’imprenditore cinese, Antares Cheng). La Forall Asia Pacific Limited è franchisor e distributore in molte città della Cina e a Hong Kong per il brand Pal Zileri, noto marchio di lusso per la moda maschile.” Il team di Withers LLP è stato coordinato, a Milano, dai partner Anthony Indaimo e Claudio Giordano, insieme agli associate Sharon Whitehouse, Julie Junghanns e Tom Noad, e, a Hong Kong, dal partner Patrick Hamlin.

<http://www.diritto24.ilsole24ore.com/avvocatoAffari/dagliStudi/2012/12/withers-assiste-lespansione-della-forall-confezioni-spa-pal-zileri-in-asia.php>

### 3. 2012, Safilo SpA - StyleMark GmbH, Polaroid Eyewear Business

*Motivations:* Horizontal acquisition, increase product portfolio with the acquisition of Polaroid Eyewear

“Padua, November 17, 2011 - Following the Board of Directors’ approval, Safilo Group announces that Safilo has just signed an agreement **with StyleMark for the acquisition of the Polaroid Eyewear business**, a world leader in optics and lens technology and a global eyewear manufacturer and distributor, with a strong and recognizable market positioning.

The Polaroid Eyewear business is part of the StyleMark Group and has offices in the UK, Switzerland, the US, Italy, Sweden, Netherlands, China and Russia as well as a comprehensive network of distribution partners around the world. Polaroid invented the first man-made polarizer for commercial use in 1929 and the first pair of Polaroid sunglasses was sold in 1935. Polaroid has been a pioneer and leader in polarizing lens technology ever since. For the year 2011, the Polaroid Eyewear business is expected to record sales of approximately USD 63 million and generate an expected EBITDA of around USD 8.75 million. **The acquisition of the Polaroid Eyewear business is consistent with Safilo Group’s strategy of building a strong portfolio of Safilo own brands, in order to complement its well performing licensed brand portfolio.**

The inclusion of the Polaroid Eyewear business in the portfolio owned by Safilo will contribute to realize **the full potential of Safilo across markets, categories and channels by completing the offering in a market segment with a high growth potential**, especially in markets outside Europe, where Polaroid is currently underrepresented and where the distribution network of Safilo Group will allow a prompt expansion.

Safilo will acquire the Polaroid Eyewear business for a consideration of USD 87,5 million (amounting to maximum Euro 65 million, to be determined based on predetermined currency conversion mechanisms).

The completion of the acquisition is subject to certain conditions precedent set forth in the contractual documentation entered into by Safilo and the seller on the date hereof and is expected to occur during the first quarter of 2012. Roberto Vedovotto, Chief Executive Officer of Safilo Group, commented: "We are extremely happy to announce that a historical yet contemporary brand like Polaroid is becoming part of the new Safilo, bringing along its reputation of leader in the manufacturing of high quality polarizing lenses and the distribution of world class polarized sunglasses around the world.

[http://www.safilo.com/en/PR\\_2011-11-17\\_safilo-group-announces-the-acquisition-of-the-polaroid-eyewear-business](http://www.safilo.com/en/PR_2011-11-17_safilo-group-announces-the-acquisition-of-the-polaroid-eyewear-business)

#### **4. 2011, Benetton Group SpA - Textile industry Nitex LLD**

*Motivations:* Horizontal acquisition, expanding production facilities in Serbia because of lower production and labor costs and government incentive for foreign firms

Chiarolanza stated that over the next several years, Benetton will create a new centre of the Serbian textile industry in Nis, announcing that the company will build a complex of new factories. Luciano Benetton observed that the company plans to create between 2,800 and 3,000 new jobs and invest around €50 million. Benetton bought Nitex in May for a little over €3 million.

##### **Benetton: confermata acquisizione produttore serbo**

Il gruppo veneto dovrebbe sborsare 43 milioni di euro per acquistare dallo Stato serbo una fabbrica che sorge a Nis, nel Sud del Paese. La data di vendita è stata fissata per venerdì 13 maggio. La fabbrica tessile Nitex di maglieria e tessuti dovrebbe produrre in un primo tempo merce per 72 milioni di euro. L'obiettivo sarebbe di raggiungere il milione di vestiti prodotti per la fine dell'anno, secondo Chemco, agente del marchio per l'Europa del Sud, interpellato dal sito Just-Style.com.

L'acquisto sottolinea l'interesse di Benetton per la Serbia (come già anticipato da FashionMag.com quattro mesi fa nella Newsletter n° 555), dove United Colors of Benetton conta di inaugurare in tempi rapidi una cinquantina di punti vendita. L'azienda avrebbe aperto a questo scopo un ufficio a Belgrado lo scorso febbraio.

Già allora infatti era sembrato molto evidente l'interesse del gruppo Benetton alla prospettiva del piano di incentivi allestito dalla Siepa, agenzia di investimento e promozione di esportazione della Serbia, insieme al Ministero dell'Economia, per l'investimento nella Nitex, con sovvenzioni per ogni nuovo assunto tra i 4.000 e i 10.000 euro. Presente in 120 Paesi, il gruppo Benetton ha realizzato nel 2010 circa 2 miliardi di euro di vendite, per un utile netto di 100 milioni di euro. Attraverso i brand United Colors of Benetton, Undercolors of Benetton, Sisley e Playlife, si trova a guidare una rete di circa 6.000 punti vendita nel mondo.

[http://it.fashionmag.com/news/Benetton-confermata-acquisizione-produttore-serbo,172574.html#.VU4Y22B\\_W5I](http://it.fashionmag.com/news/Benetton-confermata-acquisizione-produttore-serbo,172574.html#.VU4Y22B_W5I)

BELGRADO Non si ferma il processo di internazionalizzazione delle imprese italiane in Serbia. Dopo i giganti Fiat, Magneti Marelli e Golden Lady, anche il Gruppo Benetton punta sui Balcani. Il colosso italiano è vicinissimo all'acquisizione della storica fabbrica tessile «Niteks», fondata nel 1897 nella città meridionale serba di Nis. Benetton ha assicurato a Il Piccolo che il progetto – definito «l'affare del decennio» da parte della stampa serba – è concreto.

«Confermiamo che ci sono contatti avanzati per questa operazione, ma ancora nulla è stato finalizzato. La speranza è che l'investimento possa andare in porto tra gennaio e febbraio», afferma Federico Sartor, direttore della comunicazione di Benetton. La produzione in Serbia dovrebbe aggiungersi alla «già esistente struttura produttiva presente in Europa orientale, Tunisia e India». La scelta balcanica è stata dettata dalla «stabilità ed efficienza della Serbia, dalle agevolazioni non solo fiscali e dagli accordi per le esportazioni senza dazi con Ue e Russia. In più, il Paese è molto vicino all'Italia».

Non si sa ancora con precisione cosa sarà prodotto a Nis, ma intanto alla Niteks, a tre ore di auto da Belgrado, gli operai attendono buone notizie. La ditta ha vissuto anni di profonda crisi. Dopo una fallimentare privatizzazione, le 600 tute blu e colletti bianchi della fabbrica sono stati costretti alla cassaintegrazione in attesa di tempi

migliori e investitori più affidabili. Per ora sopravvivono con meno di 100 euro al mese.

L'interesse italiano è stato indubbiamente stimolato dalle attenzioni che gli investitori stranieri ricevono a Belgrado: «Costi produttivi e di manodopera inferiori rispetto all'Ue, gli incentivi che il governo centrale e le singole municipalità concedono alle aziende straniere, la possibilità di sfruttare accordi commerciali di libero scambio, il più importante dei quali con la Russia», illustra Pietro Vacchiano, segretario generale della Camera di commercio italo-serba. «La Serbia ha bisogno di investimenti stranieri e tutte le procedure sono velocizzate nonostante la burocrazia non sia ancora in piena sintonia con l'attività dell'aziende», aggiunge Vacchiano. Ci sono tuttavia anche lati negativi: «abbondanza di operai, spesso molto specializzati, ma pochi dirigenti serbi e poi la legislazione, nata in un sistema economico diverso, che ha ancora bisogno di riforme».

La Serbia offre sovvenzioni governative per infrastrutture e urbanizzazione e per ogni posto di lavoro creato dagli investitori stranieri. Anche nel caso della Niteks, Belgrado dovrebbe contribuire con una somma dai 4.000 ai 10.000 euro per lavoratore, sufficiente a coprire i contributi di un operaio per almeno 18 mesi. Insomma, ponti d'oro per gli stranieri in tempo di crisi. Stranieri che arrivano in un Paese dove la recessione ha colpito duro (-4% il Pil nel 2009, leggera crescita nel 2010), con una disoccupazione al 20% e che ha dovuto rivolgersi all'Fmi (2,9 miliardi di euro il prestito stand-by) per evitare problemi più seri nella nuova Eldorado delle imprese italiane.

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6 [http://ricerca.gelocal.it/ilpiccolo/archivio/ilpiccolo/2011/01/15/NZ\\_10\\_CENT.html](http://ricerca.gelocal.it/ilpiccolo/archivio/ilpiccolo/2011/01/15/NZ_10_CENT.html)

## 5. 2010, Piquadro SpA - Unibest Leather Goods Co. Ltd.

*Motivations:* Vertical acquisition, acquisition of the Chinese supplier (40% of the total production) to better control the supply chain in terms of efficiency at manufacturing level and currency control.

MILANO (MF-DJ)--Piquadro ha definito l'acquisizione delle residue quote pari al 50% della Unibest Leather Goods Co. Limited, società di Hong Kong, che a sua volta detiene il 50% della joint venture Uni Best Leather Goods (Zhongshan) - **società di diritto cinese a cui viene delegato circa il 40% della produzione del gruppo Piquadro**. Il restante 50% del capitale sociale di Uni Best Leather Goods (Zhongshan) è posseduto direttamente da Piquadro. Lo si apprende da una nota dove si aggiunge che in particolare, i partner cinesi possedevano 500 azioni pari al 50% del capitale sociale di Uni Best Leather Goods Co. Limited, mentre Piquadro possedeva direttamente il residuo 50%. Attraverso questa operazione Piquadro S.p.A. viene quindi a detenere, direttamente e indirettamente, attraverso Uni Best Leather Goods Co. Limited, il 100% di Uni Best Leather Goods (Zhongshan).

L'acquisizione comporterà un esborso di Piquadro, per il 50% del capitale di Uni Best Leather Goods Co. Limited, pari a circa 1,6 mln hk di hkd, corrispondenti ai cambi attuali a circa 170 mila euro. Dai dati consolidati al 31 marzo 2010 il patrimonio netto della Uni Best Leather Goods Co. Limited risulta pari a circa 200 mila euro. La società stima che l'operazione di acquisizione sopra descritta impatti quindi in maniera del tutto marginale sia a livello finanziario che sulla struttura patrimoniale del gruppo.

Marco Palmieri, presidente e ceo del gruppo ha dichiarato che **"le tensioni che si stanno manifestando sul fronte produttivo ci impongono di accelerare le decisioni relative alla supply chain. L'operazione ci consente di concentrarci maggiormente sulle dinamiche di efficienza a livello manifatturiero anche al fine di contrastare gli apprezzamenti della valuta cinese e, più in generale, di tutti i fattori produttivi localizzati nell'area del Far East**. L'aumento del cambio del dollaro, le tensioni sulle materie prime e sul costo del lavoro possono essere contrastate, avendo il pieno possesso della fabbrica cinese, con un miglioramento dell'efficienza dei processi produttivi oltre al poter disporre di una propria competente fonte locale di approvvigionamento e di ricerca e sviluppo".

<http://www.milanofinanza.it/news/piquadro-acquisite-quote-residue-unibest-leather-goods-co-limited-201006221802161011>

## 6. 2009, Nute Partecipazioni (La Perla) - Hornvale Limited

*Motivations:* Vertical integration, With this transaction, La Perla assumes direct management of 12 flagship stores in major department English stores, consolidating the presence in the key area of the fashion world

La Perla acquires control of the distribution in the UK and develops the direct network.

2009 was a year of La Perla for major investments in the development of the distribution network. **The year ended with the acquisition in late December of Hornvale, actually based in London and that, as part of a consolidated partnership, distributed by many years the products of the Italian group in the UK.**

**With this transaction, La Perla (which already ran the boutique in Sloane Street, London) assume direct management of 12 flagship stores in major department stores English (including Harrods, Selfridges and Harvey Nichols) as well as an Outlet Store in Bicester Village.**

"We considered strategic to consolidate our presence in what is one of the key areas of the fashion world," said the CEO of La Perla, Alain Prost; "Thanks to the work done by our distributor, the UK market is already 12% of the foreign business of the group, but there are still great potential for development that we want to realize thanks **to a more direct commercial presence and greater integration with the logistics 'headquarters.'**"

As part of its strategic plan for the development of direct distribution, in the second half of 2009 La Perla had already completed other important tasks.

Staying in Europe, the group acquired (through a branch of its French subsidiary) the direct control of the distribution in the Benelux countries, as well as a flagship store in Brussels.

But it was not just Europe that represent the object of the initiatives of the Italian group. In Asia, an area in which the group has long been present with a store in Singapore, has been acquired direct control of distribution in Hong Kong and China, where La Perla now operates six stores between brand and shop in shop; for 2010 is expected in these markets Retail further expansion with the opening of two new stores.

<http://www.luxuryget.com/la-perla-acquires-control-of-distribution-in-uk/>

## **7. 2009, Cionti Srl – CTI Clothing Trade International**

*Motivations:* Vertical Integration, acquisition of supplier based in Bulgaria

«Squadra che vince non si cambia. È partita 12 mesi fa l'avventura del gruppo Cionti e oggi si conferma come una delle realtà più solide dello stile italiano. Nata dal desiderio del suo patron, Alfredo Cionti, **di poter offrire una struttura verticale completamente integrata che potesse garantire la qualità degna dei marchi rappresentati**, la srl è composta da Cti, Channel95 e Cionti che produce e distribuisce su licenza i marchi Avirex, Belfe, Postcard, Mabitex, Mover e la neonata Brembo life jacket, presentata ieri a Pitti immagine uomo e realizzata in tandem con la Brembo del vicepresidente di Confindustria Alberto Bombassei: un capo dall'accattivante stile urbano che è anche un vero salvagente, grazie alla tecnologia Airbag che si cela nella sua trama. Chiuso il 2009 con un fatturato di 25 milioni di euro, l'obiettivo per quest'anno è di superare quota 30 milioni (+20%) dando nuova energia ai marchi storici e valorizzando le new entry. «Abbiamo deciso di creare questa nuova struttura per dare dei segnali chiari al mercato in un contesto particolare come quello attuale», ha spiegato a MFF Alfredo Cionti. **«Siamo una realtà solida e grazie a un modello verticalizzato e completamente integrato ora più che mai possiamo garantire al meglio i nostri prodotti.** La società attualmente è una srl ma è già previsto il passaggio a spa in occasione del prossima assemblea del 26 giugno. La nostra priorità è fare bene e su tutti i fronti e in particolare per Belfe che quest'anno festeggia i 90 anni». E che in concomitanza con i festeggiamenti annuncerà una partnership con il gruppo coreano E-Land, svelando i dettagli di un'operazione che prevede l'apertura di 200 punti vendita ad insegna Belfe in Estremo oriente.

CTI Clothing Trade International Plc manufactures and markets sportswear. The company was founded in 1999 and is based in Vratsa, Bulgaria. As of December 16, 2009, CTI Clothing Trade International Plc operates as a subsidiary of Cionti Srl.

[http://www.ilgiornaledivicenza.it/stories/Economia/266213\\_\\_conti\\_in\\_rosso\\_di\\_12\\_milioni\\_e\\_malo\\_chiude/](http://www.ilgiornaledivicenza.it/stories/Economia/266213__conti_in_rosso_di_12_milioni_e_malo_chiude/)

<http://www.mffashion.com/it/archivio/2010/06/16/cionti-verso-30-milioni-col-progetto-brembo>

## **8. 2008, Calzedonia SpA - Austrian Network of Intimissimi Brand, CCI Handelsgesellschaft m.b.H**

*Motivations:* Vertical Integration, in order to achieve direct control of all the logistics, Calzedonia acquired firms for distributing the products internationally.

### **Calzedonia si espande all'estero e consolida la rete in Italia**

31 gennaio 2010

Con 22 anni di esperienza alle spalle, il gruppo veneto Calzedonia fondato nel 1987 da Sandro Veronesi, attuale presidente, continua la sua crescita esponenziale (+15% sul 2007) confermandosi uno dei player indiscussi del segmento abbigliamento intimo in Italia. Oggi il gruppo, con sede a Dossobuono di Villafranca di Verona, conta nel suo portafoglio brand i marchi Calzedonia, Intimissimi e Tezenis e annovera un fatturato 2008 che supera gli 888 milioni di euro (nel 2007 era di oltre 772 milioni di euro). Chiave del rapido e duraturo successo del gruppo, che impiega sul territorio nazionale 1.350 dipendenti di cui il 70% è costituito da donne tra i 25 e i 40 anni, è un prodotto caratterizzato da un elevato contenuto moda e da un rapporto qualità-prezzo competitivo. Ma non solo. Artefice dei risultati economici registrati è un modello di business basato sull'innovazione dal punto di vista sia della gestione della produzione e della distribuzione sia della comunicazione e dell'immagine. Sandro Veronesi ha saputo reinterpretare, infatti, in chiave fashion un prodotto tradizionale e funzionale dalle forti potenzialità qual è l'intimo, conferendogli una dimensione contemporanea e modaiola e accrescendone l'appeal commerciale. **Oltre all'Italia, dove possiede 1.350 negozi, il gruppo, è presente in 19 paesi puntando a consolidare la sua rete commerciale all'estero. L'Europa dell'est è nel suo mirino: entro fine 2009 verranno potenziate le reti commerciali russe, ceche, polacche e slovacche.** In Francia saranno inaugurati i primi punti di vendita, mentre quelli spagnoli saranno oggetto di ammodernamenti e restyling. In Italia infine, il gruppo ha in mente un'ulteriore espansione del marchio Tezenis soprattutto nel sud della penisola.

#### **Un trio vincente**

Grande punto di forza del gruppo è un vasto assortimento per donna, uomo e bambino che si distingue per un'accurata ricerca stilistica e di design nonché per l'utilizzo di materiali e tessuti d'avanguardia abbinati a un ottimo rapporto qualità-prezzo. Core business dell'azienda veneta, con 395 milioni di euro registrati nel 2008, è Intimissimi, il marchio di lingerie per donna e uomo nato nel 1996. Con 327 milioni di euro, Calzedonia, sinonimo dal 1987 di calze e costumi da bagno per donna, uomo e bambino, continua a riscuotere successo presso i consumatori grazie a collezioni che coniugano originalità di linee e colori a costi contenuti. A soli 6 anni dal suo lancio commerciale, Tezenis, il marchio cosmopolita e trendsetter del gruppo, specializzato nella vendita di linee di abbigliamento intimo e homewear donna, uomo e bambino ha raggiunto i 166 milioni di euro nel 2008. Dopo il lancio nell'autunno 2008 dell'eau de toilette al talco Intimissimi, ideale da nebulizzare sulla lingerie o da usare come profumo, tutti i punti di vendita a insegna Intimissimi commercializzano dallo scorso giugno una mini linea beauty al talco bagno costituita da bagno schiuma e crema corpo.

#### **L'insourcing**

In controtendenza il gruppo Calzedonia ha optato per il **controllo diretto dell'intera logistica produttiva**. Una scelta strategica che lo ha portato all'acquisizione di business unit. In Italia i suoi stabilimenti sono situati nel mantovano, nel trevigiano e nel trentino. In logica di complementarità, si avvale, inoltre, di unità produttive situate all'estero, principalmente nell'est Europa e in Sri Lanka. Cavallo di battaglia del gruppo è un modello di business che privilegia rapidità e adattamento alla domanda. A eccezione delle collezioni a marchio Calzedonia e Intimissimi, che sono di produzione propria al 100%, le collezioni Tezenis sono in parte realizzate da terzi.

#### **Il franchising**

Altro asso nella manica del gruppo veneto è una rete commerciale fitta e capillare: a oggi sono oltre 1.350 i punti di vendita in Italia e più di 1.200 all'estero. Il gruppo ha optato per la formula del **franchising assicurandosi così una rapida e continua espansione sull'intero territorio nazionale e sui mercati esteri**.

Veri e propri trait d'union tra i franchisee e la sede centrale, gli agenti di zona assumono un ruolo chiave nelle scelte fatte dal gruppo per l'importanza strategica del flusso informativo che trasmettono regolarmente in azienda.

**Forte di una distribuzione consolidata nella penisola, il gruppo punta ad accrescere maggiormente la sua presenza sui principali mercati esteri tramite l'apertura programmata di negozi a insegna Calzedonia (oggi 1.200 punti di vendita di cui circa 650 in Italia), Intimissimi (più di 1.150 store di cui più di 550 nella sola Italia) e Tezenis (oltre 200 punti di vendita di cui 160 in Italia).**

Dal 2005, Intimissimi è presente negli Stati Uniti grazie all'accordo siglato con Victoria's Secret, licenziataria esclusiva del marchio per il mercato oltreoceano. Ambasciatore per eccellenza dello stile e della filosofia del gruppo sono i concept store dall'immagine sempre fresca e accurata, ubicati strategicamente in zone nevralgiche delle città più importanti. Di particolare prestigio è il flagship store Tezenis situato nel quartiere modaiolo e commerciale di Oxford Circus a Londra.

**La comunicazione** Elemento distintivo del gruppo è anche la comunicazione: dagli strumenti di comunicazione tradizionali (affissioni, tv, carta stampata) a forme non convenzionali innovative come il guerrilla marketing. Consapevole dell'importanza dell'immagine, per le campagne media il gruppo sceglie i migliori fotografi e top model internazionali sulla piazza: fra i volti celebri che hanno prestato la propria immagine all'azienda si possono ricordare le modelle Adriana Lima, Irina Sheik, Ana Beatriz Barros, Vanessa Kelly, Andi Muike e Josie Maran. Nel 2007, il gruppo ha fatto il suo debutto sul piccolo schermo con la campagna pubblicitaria di Intimissimi Heart Tango. Diretto dal regista Gabriele Muccino, lo spot mette in scena una Monica Bellucci sensuale affiancata dal modello portoghese José Fidalgo.

<http://www.mark-up.it/calzedonia-si-espande-alleestero-e-consolida-la-rete-in-italia/>

## **10. 2008, Only the Brave srl - Viktor & Rolf BV**

*Motivations:* Horizontal partnership, partnership for new licencing agreement, strengthening of distribution channels, investments in communication.

Only The Brave (OTB) e Viktor & Rolf BV annunciano una partnership di lungo termine grazie alla quale la holding che fa capo a Renzo Rosso diventa azionista di maggioranza del prestigioso marchio pret-à-porter, fondato dagli artisti e designer Viktor Horsting & Rolf Snoeren, considerati tra i creatori più visionari della moda internazionale.

La partnership è solo il punto di partenza di un strutturato e lungimirante progetto di sviluppo del marchio, che comprende la gestione delle linee e la creazione di nuovi accordi di licenza, il rafforzamento dei canali distributivi e degli investimenti di comunicazione.

A partire dalla stagione A/I 09, un team dedicato all'interno di Staff International, l'azienda del gruppo OTB che opera nel campo del pret-à-porter, gestirà in esclusiva la licenza mondiale delle collezioni di abiti, scarpe, accessori uomo e donna ad etichetta Viktor & Rolf. La progettazione e produzione delle collezioni sarà ulteriormente sviluppata, mentre la distribuzione verrà implementata attraverso gli showroom Staff International di Parigi, Milano, Tokyo e New York.

[http://www.laquintagroup.net/pagina.phtml?\\_id\\_articolo=7832-Only-The-Brave-acquisisce-la-maggioranza-di-Viktor-Rolf-BV.html](http://www.laquintagroup.net/pagina.phtml?_id_articolo=7832-Only-The-Brave-acquisisce-la-maggioranza-di-Viktor-Rolf-BV.html)

## **11. 2008, Safilo SpA – Sunglass Island, Just Spectacles**

*Motivations:* Vertical integration, developing the international retail expansion in Australia and Mexico in order to strengthen the market position; establishment of a direct distribution network to value the quality and the image of the products.

“Safilo annuncia l'acquisizione di due catene retail in Messico e in Australia 05/02/2008 Con le acquisizioni delle catene retail Sunglass Island in Messico e Just Spectacles in Australia Safilo accelera lo sviluppo del progetto retail e lancia definitivamente la propria strategia a livello internazionale. Safilo, grazie a queste operazioni, crea le basi per la propria crescita nel business del retail dell'occhialeria di alta gamma, iniziata con lo sviluppo della catena Solstice negli USA e Loop Vision in Spagna, e che prevede un'ulteriore espansione a livello internazionale, in particolare in quei paesi dove Safilo ritiene opportuna la propria presenza diretta.

Con queste acquisizioni, il **Gruppo Safilo dispone di quattro strutture operative nei principali continenti seguendo un progetto strategico a lungo termine in grado di rafforzare la sua attuale posizione nel mercato mondiale dell'occhialeria.**

**Sunglass Island** :La catena retail messicana Sunglass Island gestisce 38 negozi Sunglass Island e 7 negozi Island Optica, due dei principali marchi lusso del mercato degli occhiali da vista e da sole. I 45 negozi, in location di assoluto prestigio e con un'offerta di prodotto e servizio di alto livello, sono oggi presenti nelle principali località turistiche del paese, da Cancun a Playa del Carmen, ad Acapulco e Los Cabos. Sunglass Island e Island Optica operano nel mercato da 15 anni sotto la direzione della famiglia Krantzberg, che

continuerà a collaborare con il Gruppo Safilo nella gestione di un business già oggi di grande successo. Il giro d'affari della catena a fine 2007 ammontava a circa 26 milioni di dollari (pari a circa 19 milioni di euro).

Safilo ha acquisito il 60% della società che gestisce il business retail per un corrispettivo di circa 22 milioni di dollari (pari a circa 15 milioni di euro).

**Just Spectacles** Safilo Group ha acquisito inoltre il 100% della catena retail australiana Just Spectacles, che riveste un ruolo rilevante all'interno del mercato degli occhiali da vista del medesimo continente. Just Spectacles ha sede a Perth e conta 44 punti vendita (di cui 12 in franchising) dislocati principalmente nei territori del Western e South Australia.

Just Spectacles opera nel mercato da più di 20 anni e per l'esercizio 2007 ha registrato un giro d'affari di circa 24 milioni di dollari australiani (pari a circa 15 milioni di euro). Il costo dell'acquisizione è di circa 21 milioni di dollari australiani (pari a circa 13 milioni di euro). Vittorio Tabacchi, Presidente del Gruppo Safilo ha dichiarato: **“Siamo soddisfatti di annunciare le acquisizioni di Just Spectacles e di Sunglass Island che, assieme a quelle di Solstice e Loop Vision, rappresentano una tappa fondamentale della nostra strategia, volta alla costruzione di una rete distributiva diretta che valorizzi la qualità e l'immagine dei nostri prodotti e del nostro servizio.** E' importante sottolineare che con queste operazioni, avvenute in due diversi continenti, Safilo afferma il proprio impegno nello sviluppo di un progetto retail mondiale nei paesi di maggior interesse.”

[http://www.safilo.com/it/PR\\_2008-02-05\\_safilo-annuncia-l-acquisizione-di-due-catene-retail-in-messico-e-in-australia](http://www.safilo.com/it/PR_2008-02-05_safilo-annuncia-l-acquisizione-di-due-catene-retail-in-messico-e-in-australia)



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