



PRIVATE EQUITY IN ACTION - CASE STUDY

# Autotube



<b>Country</b>	Sweden
<b>Region</b>	Västsverige
<b>Investor</b>	Accent

Accent acquired Autotube in 2011, with management and certain board members investing alongside the fund. Autotube, established in 1956 as AB Hevas, is a leading provider of tubes for air and fluid distribution for passenger cars, trucks and buses, with two manufacturing plants in southern Sweden. The company has leading positions with all three large Swedish automotive manufacturers and additional sales to a number of other major manufacturers. Accent saw an opportunity to revitalise and strengthen the management team, increase share of wallet with existing customers, diversify the customer base and improve productivity. After outperforming the company's business plan, Autotube was sold to French automotive sub-supplier MGI Coutier in April 2014.

**10%**  
increase in employees to 300

**>20%**  
annual sales growth



## What did the business need?

- Greater focus and support from owner
- Diversified customer base
- Strengthened management team
- Improved production flows and productivity

## How did private equity backing create lasting value?

- Rapid organic growth through strengthening of sales organisation, leading to new customer accounts
- Invested substantially in robots and R&D for more efficient production and improved competitiveness
- Prepared the company for Chinese expansion to take advantage of major customers' growth plans
- Strengthened purchasing organisation

I want to thank Accent for their commitment and support during the last three years. We have been able to invest and develop new products and customer contacts, which makes us an attractive sub-supplier to the automotive industry.

SVEN-OLOV LIBÄCK

- Reduced working capital by entering into financing agreement with largest customer

CEO  
Autotube

## What outcomes did private equity investment achieve?

- Developed the company faster than planned
- Increased the number of employees by around 10% to 300
- Grew sales organically by more than 20% per year, with increasing margins
- More than doubled EBITDA\*
- \*EBITDA stands for earnings before interest, tax, depreciation and amortisation and is a measure of company performance

## More information

[Accent](#)

[Autotube](#)

