



DT Group (formerly Danske Trælast) is the Nordic region's largest builders merchant and DIY chain. CVC Capital Partners acquired the group in 2003 through an 850m public-to-private buyout from the Copenhagen Stock Exchange - the largest private equity transaction at the time on a Nordic stock exchange.

CVC's investment rationale was built around the scope to deliver operational efficiency through centralised purchasing and improving underperforming units, as well as accelerating growth through merchandising. The investment eventually delivered a strong return for CVC's investors through a sale to Wolseley in September 2006.

What did the business need?

- Increase in operational efficiency
- Improvement of underperforming units
- Accelerated growth through investment

How did private equity backing create lasting value?

- Radical change in the group's purchasing approach from a country by division organisation to a group-wide pan-Nordic lead buyer structure
- Rebranding of Danish builders merchant business, now named Stark, resulting in very strong improvements in sales and EBITDA
- Modifications to the organisational structure and complete change of the management incentive plan to harmonise with the business plan
- Review of property portfolio and strategy

Country	Denmark
Region	Hovedstaden
Investor	CVC Capital Partners

10%
sales growth in year prior to
CVC's exit

8,000
employees across the group



During CVC's ownership we worked with the management to improve efficiency whilst growing the business and taking market share in all countries.

SØREN VESTERGAARD-POULSEN
Partner
CVC Capital Partners

What outcomes did private equity investment achieve?

- Achieved target cost structures overall and by store
- Group generated sales of £2.4bn and EBITDA of 170m euro in year to 31 January 2006
- Sold group to Wolseley in September 2006 at a significantly higher value than at entry, and delivered strong return to investors
- Gained market share in all principal markets

More information

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