

PRIVATE EQUITY IN ACTION - CASE STUDY

Eco Eridania



Country	Italy
Region	Liguria
Investor	Fondo Italiano di Investimento, Xenon Private Equity

Eco Eridania demonstrates how private equity investment can support companies' growth and strengthen Italy's industry. When Fondo Italiano di Investimento first invested in 2011, waste disposal business Eco Eridania was a small company with operations in Liguria and Sardinia with an experienced management team and an ambitious growth plan. With the support of Fondo Italiano, Eco Eridania grew by acquiring its main competitor and developing an innovative disposal technology. In 2012, Fondo Italiano reinvested alongside Xenon Private Equity to acquire six more competitors, so becoming the market leader in the Central-Northern Italy. Private equity has helped the business increase turnover four-fold, annual volumes of waste managed five-fold and number of employees three-fold. In June 2014, Eco Eridania's shareholders bought back Fondo Italiano's stake.

61%
average annual growth in revenues

44%
average annual growth in employee numbers

What did the business need?

- Growth capital
- Expertise in acquisitions to consolidate a fragmented sector
- Development of a new disposal technology

How did private equity backing create lasting value?

- Provided growth capital to carry out the company's growth plan
- Helped find a new financial partner to raise further growth capital
- Strengthened the management team with experienced CFO and general manager
- Assisted the management team in M&A deals



- Increased company's cash flow generation
- Supported development of an innovative green disposal technology

What outcomes did private equity investment achieve?

- Developed a pollution-free and energy-producing waste disposal plant
- Successfully completed and integrated eight acquisitions
- Created the market leader in the Central-Northern Italy by revenue and volumes of waste
- Grew average sales by 61% annually
- Sold to shareholders who will lead the company through further expansion projects

More information

[Eco Eridania](#)

[Fondo Italiano](#)