



PRIVATE EQUITY IN ACTION - CASE STUDY

GAM



Country	Spain
Region	Principado de Asturia
Investor	N+1 Private Equity

N+1 Private Equity, together with Pedro Luis Fernández, created Spain's undisputed leader in equipment rental almost overnight. Having identified over 20 companies throughout 2002, they completed the merger of three companies - Alquioviedo, Aldaiturriaga and T.Cabrera - which became General de Aquiler de Maquinaria (GAM), the only player in the Spanish equipment rental sector capable of operating on a national scale. With Mr Fernández working as CEO, GAM embarked on an ambitious expansion drive. N+1 supported the opening of 33 new branches and GAM reached sales of €126m, twice that of its closest competitor, and five times bigger than when N+1 invested. In 2006, GAM was listed on the Bolsa de Madrid (with an equity value of €103m). N+1 sold its last shares in 2007.

33
new branches opened in less than 3 years

2x
increase in employment



What did the business need?

- Capital for growth
- Assistance in merging three distinct businesses
- Strategic support for a planned rapid expansion in a totally fragmented industry

How did private equity backing create lasting value?

- Helped identify the right companies to merge
- Supported the integration of the three businesses to create GAM
- Created a growth plan based on new branches and acquisitions
- Positioned GAM to expand beyond the Iberian peninsula
- Assisted with following most suitable exit route: listing on Bolsa de Madrid

N+1 Mercapital and GAM management team created the undisputed market leader in the equipment rental sector through an intensive build-up process

PEDRO LUIS FERNANDEZ
CEO
GAM

What outcomes did private equity investment achieve?

- Created a market leader overnight through a build-up process
- Created 500 jobs, an increase of 2x since investment
- 33 new commercial branches opened
- Sales grew from €24m in 2003 to €126m in 2005
- Listed GAM, which now forms part of the IBEX Small Cap Index

More information

[GAM](#)

[N+1 Private Equity](#)

