

PRIVATE EQUITY IN ACTION - CASE STUDY

Gelit



Country	Italy
Region	Lazio
Investor	Consilium

Gelit is a leading player in the production and marketing of frozen pasta-based ready meals and crêpes for the private label market. When Consilium bought Gelit in 2007, it was a non-core business of Barilla. Under Consilium's guidance, Gelit changed from being a company highly dependent on Barilla's infrastructure to a robust, stand-alone business. By focusing on private label, supplier optimisation and entering new profitable markets and channels, Consilium turned Gelit into a leading frozen ready meals producer leveraging on Italian food know-how and appeal. Consilium sold Gelit in June 2012 to New York-listed Ralcorp (now part of ConAgra Foods group), earning 3.7 times its investment.

50%
increase in revenues to €36m

40%
exports, up from 25%

What did the business need?

- Focus on core private label business
- Assistance to build a stand-alone business
- New markets and channels development programme
- Financial discipline

How did private equity backing create lasting value?

- Hired new highly qualified management team
- Built the infrastructure required to flourish as a stand-alone business
- Invested significantly in plant reorganisation and energy saving
- Established a new network of brokers/distributors worldwide to grow international sales
- Entered the food service channel
- Increased R&D spend to develop new recipes



I would like to thank Consilium for the support during these crucial years which allowed us to hit our ambitious targets. We enjoyed a very constructive relationship on strategic objectives

thanks to their proactive and challenging approach

What outcomes did private equity investment achieve?

- Increased revenues from €24m in 2006 to €36m in 2012
- Grew profitability from 14% to 17% of sales
- Improved operations through 10% energy costs savings and 20% productivity increase
- Increased exports to 40% of sales, up from 25%
- Grew employee numbers by 18% to 132

More information

[Gelit](#)

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