

PRIVATE EQUITY IN ACTION - CASE STUDY

Materne-Mont Blanc



Country	France
Region	Picardie
Investor	Activa Capital

When Activa bought the French desserts maker Mont Blanc in 2003, it had been part of Nestlé but needed significant investment to build on its position in the desserts market. Over the next two years, Activa bought Nestlé's remaining share of the business plus the concentrated milk brand Gloria and then led a merger of Mont Blanc with fruit desserts producer Materne.

Within three years of leaving the Nestlé stable, the company was a stand-alone force in packaged desserts, having invested in brand development and product innovation and with some of France's best-known names in fruit purées, milk desserts, jams and concentrated milk. Activa also took the company's products to the US, where it became quickly established in the fruit desserts segment, before it sold to LBO France in 2010.

The company's growth continued with LBO France, which helped Mont Blanc to nearly double revenues to €368m by the time of its exit in 2016.

What did the business need?

- Re-launch of Mont Blanc brand
- Investment in product innovation and packaging
- Capital to build an independent food company in France and internationally

How did private equity backing create lasting value?

- Created independent sales and marketing teams

3.5x
rise in turnover in 7 years

€6m
sales to non-EU countries



Activa Capital has been a real driver of our growth by contributing to our acquisition programme.

MICHEL LARROCHE
CEO
Materne-Mont Blanc



- Invested to establish stand-alone IT systems
- Reduced key running costs through focus on core brands and improved production
- Strengthened management team by recruiting a new CEO, a new CFO and a new marketing Director
- Devised and executed a clear strategy for expansion
- Established strong position in the US market
- Expanded into new product areas through acquisitions and development of new deserts



What outcomes did private equity investment achieve?

- gm Increased sales from €40m to €190m between 2003 and 2010
- Expanded by acquiring complimentary brands
- Built non-EU sales from zero to €6m (mainly US, Canada and Israel)

More information

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