

PRIVATE EQUITY IN ACTION - CASE STUDY

VUES Brno



Country	Czech Republic
Region	Jihovychod
Investor	Arx Equity Partners

Spotting an opportunity for growth and operational improvement, Arx Equity Partners invested in Czech developer and producer of high quality electric motors VUES in 2006. The business had a high concentration of experienced technicians, proprietary technological know-how and a range of in-house testing facilities - all of which were unusual for a business of this kind. The investment not only helped VUES solve a succession issue as a number of managers/owners were looking to retire, but also brought on board an experienced and hands-on partner. VUES now sells across Western Europe, has significantly improved operations and productivity has increased revenues from €14m to €27m over the space of the last six years.

19%
increase in employment over six years

70%
increase in Western European sales

What did the business need?

- Hands-on support to improve efficiency
- An exit route for retiring shareholders
- Investment to expand production capacity and modernise technology

How did private equity backing create lasting value?

- Enhanced commercial and finance operations
- Established a sales affiliate in Germany, giving it greater access to the Western European market
- Expanded production floor area by over 50%
- Invested to introduce new technologies and upgrade R&D over € 3m
- Streamlined complex ownership structure by buying out over 200



The ARX investment and its know-how meant for our firm a radical impetus in terms of building a competent and motivated management team, sophisticated controlling and planning, investment in production capacities and modern

small minority shareholders

- Improved workflow, operations and productivity

What outcomes did private equity investment achieve?

- Increased revenues from €14m to €27m between 2009 and 2015
- Increased sales in Western Europe by over 70%
- Grew employment by 19% over the six years to 2015
- Improved margins from 12% in 2009 to 26% in 2015

More information

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technologies and penetration of new markets with extended product portfolio.

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