

PRIVATE EQUITY IN ACTION - CASE STUDY

Ziv



Country	Spain
Region	Pais Vasco
Investor	Alantra Private Equity

Established in Bilbao, Spain in 1993, ZIV was one of the main manufacturers, distributors and installers of protection, control, metering and telecommunications products for power utility companies. When Alantra (formerly N+1) invested in ZIV in 2007, it needed strategic and operational support and help to expand. Together with ZIV's management team, Alantra refocused the business on international markets such as Brazil, Mexico, India and the US, restructured the company to provide better customer service and provided further funding to support ZIV's growth. In spite of the global downturn, ZIV's sales grew 93% to €85m with a third of this generated internationally, in just five years. Having built a fully international business, Alantra sold ZIV to quoted India's Crompton Greaves in 2012.

32%
international sales, up from 17%

93%
increase in sales to €85m



What did the business need?

- Investment in proprietary technology in incipient but promising industry segments
- Reduction of dependence on domestic demand and focus on international markets
- Simplification of the structure to provide customers turn-key solutions

How did private equity backing create lasting value?

- Maintained annual R&D spend of 8% of revenues, despite the downturn
- Dedicated 29% of total headcount to engineering functions
- Focused the business on international sales and reduced

Under Alantra shareholding, the company refocused its activities towards international growth and value added activities, strengthened its management team and R&D was kept as a priority

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- dependence on falling domestic market
- Established key joint ventures in India and Mexico
- Supported additional funding round and renegotiated debt terms in 2010 to support sales growth
- Restructured management team structure and merged the five existing divisions into three

What outcomes did private equity investment achieve?

- Developed proprietary technology to compete with bigger international players
- Increased sales by 93% to €85m over five years
- Increased international sales to 32% of revenues (up from 17% in 2007)
- Established trade across more than 90 countries through 14 offices and local partners in 32 countries

More information

[Ziv](#)

[N+1 Private Equity](#)

Partner
Alantra Private Equity

