

One of the Largest and Most Complex Transactions in the History of the Road Transport Industry in Portugal

Background

The transportation industry plays a crucial role in facilitating trade and commerce, connecting businesses and individuals across the globe. Within this vast industry, our client, a company group specializing in different types of transportation services, embarked on a momentous journey to sell their three companies. Their objective was to redirect their focus towards a new international project in a different sector. As each company within the group specialised in a specific type of transport, namely bulk, general cargo, and containers, it was essential to approach the sale strategically and ensure a smooth transition. The client sought the expertise of Mercal, a renowned firm specialising in Mergers and Acquisitions (M&A), to navigate this intricate process successfully.



Approach

Mercal, entrusted with the task of managing the M&A project, collaborated closely with the client to develop a comprehensive strategy for selling the group. The first step involved assessing and reorganising the three companies, as they were not structured under a holding company, and a potential merger was not desirable. Consequently, a formal group structure was established, enabling the entities to tackle the challenges associated with the complex future sales process. Several meetings were held between Mercal and the client to define the optimal business plan, streamline processes, establish a suitable organisational structure aligned with the business model, and maximise operational efficiency. Within a span of two months, the group implemented the planning activities and integrated management and information systems.

To initiate the sale process, Mercal prepared the group evaluation and memorandum, generating interest from potential buyers on a global scale. Leveraging Mercal's extensive network of partners and leveraging commonly used platforms, the opportunity was shared widely. Several interested investors emerged, including one of the largest French groups specialising in road transport. Negotiations were initiated, leading to the formalisation of a non-binding offer and subsequent due diligence. Throughout this entire process, Mercal managed and guided each stage in close collaboration with the client, fostering a spirit of critical support until the conclusion of the transaction.

Outcome

The transaction proved to be an exceptional success, generating significant value for the client, as initially proposed by Mercal. The entire process, spanning over a year from the preparation phase of the three companies to the sale of the group, unfolded smoothly and according to plan. This success can be attributed to Mercal's experience and expertise in M&A, the leader in the middle market, and proven track record of over 30 years and more than 400 completed transactions, both nationally and internationally.

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European

Professional

Personal

Conclusions

The sale of a company group specialising in road transportation services can be an intricate and challenging endeavour. However, with the right strategic approach and expert guidance, it can lead to remarkable outcomes. In this case, Mercal demonstrated its proficiency in managing complex M&A projects and successfully facilitated one of the largest and most complex transactions in the history of the road transport industry. As the client now embarks on their new international venture, they can look back on this process as a testament to their vision and Mercal's dedication to achieving optimal results.



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