

# CASE STUDY



## Evolution helps Greif achieve a great package!

Greif UK is a subsidiary of Greif Inc. a \$3.6bn US global provider of industrial packaging and storage solutions in various materials for a wide range of industries.

The UK company deals predominantly in steel packaging, mostly drums and pails, which are manufactured in Ellesmere Port and Burton-on-Trent.

Re-conditioning is an important element of Greif's business. At the time its re-conditioning services were provided through a subsidiary company that had a UK facility in the South West.

This proposed acquisition was a key part of Greif's strategy to become the market leader in re-conditioned drums and IBCs (Intermediate Bulk Containers) in the UK.



### Evolution's role

Greif UK Limited had identified a company that it wanted to acquire – Ken Rooms (Hull) Limited.

This company was a supplier to Greif and there was a good working relationship between both parties. However, the two parties could not agree a deal as, not unusually, there was a difference between what Greif wanted to pay and what the target company was prepared to sell it for.

In fact a 3-fold difference in the price gap had led to a stalemate in negotiations. There was a gulf in culture between an American corporate and a small family business in the UK. A real David and Goliath situation.

As experienced independent valuers, Evolution was engaged to undertake a full analysis and valuation of the target business and the markets it served.



**evolution complete business sales**  
SELLING YOUR BUSINESS FOR ALL IT'S WORTH

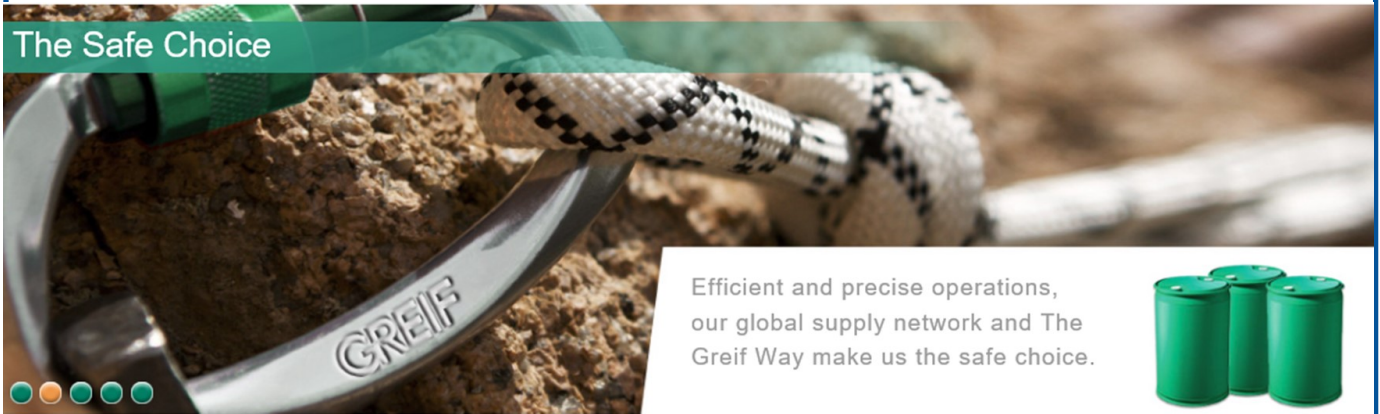
# CASE STUDY

# GREIF

*“Evolution helped us see the human side of the transaction. They were extremely helpful in helping progress in this strategic cross-border transaction.”*

Chris Warren, Greif

## The Safe Choice



Efficient and precise operations, our global supply network and The Greif Way make us the safe choice.



Evolution's Managing Director, Rob Goddard, met with the directors of the target company in order to gain a complete picture of the business.

Whilst we were representing the Acquirer it was important that we should present a fair and unbiased report.

Following a period of in-depth research Evolution produced a detailed 30-page report encompassing an in-depth review of the company's financial historic performance and forecast, an analysis of the target business, its market sector (which was highly regulated) and an examination of the business and its market drivers.

In acquisitions it is usually the softer issues, such as cultural fit and other "human" considerations that make or break a successful integration once the contract is signed. The most successful acquisitions result when both parties benefit from the deal.

Following on from our report a valuation and suggested deal structure was proposed. This helped to unlock the stalled negotiations and enabled the transaction to proceed to a successful outcome for both parties.

A deal was agreed and has recently completed.

Furthermore, Evolution's valuation of Ken Rooms Ltd was within £50,000 of the eventual price paid.



**evolution complete business sales**  
SELLING YOUR BUSINESS FOR ALL IT'S WORTH

Phone: +44 (0) 118 959 8224. Web: [www.evolutioncbs.co.uk](http://www.evolutioncbs.co.uk).  
E-mail: [info@evolutioncbs.co.uk](mailto:info@evolutioncbs.co.uk)