



## Evolution helps Kermel target UK expansion

Kermel is an award winning manufacturer of technical fibres. Based in Colmar, France it produces 2 types of Aramid fibre for two separate applications.

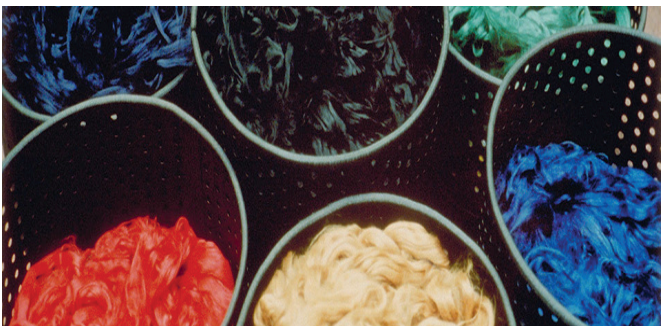
Kermel® is a polyamide-imide, classified in the meta-aramid family whilst Kermel® Tech is an aromatic polyimide-amide fibre. Non-flammable Kermel® Tech can withstand high temperature in the long term whereas fire resistant Kermel® fibre can resist extreme high temperatures (up to 1,000°C) for a few seconds.

Kermel® Tech is used for technical applications such as hot gas filtration, while Kermel® is dedicated to protective clothing against heat and flames.

The company planned to expand its UK footprint through the acquisition of up to three specialist garment manufacturers producing garments for hazardous, high temperature industries.

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## The Transaction

Having met Evolution MD, Rob Goddard, the Evolution project team then flew over to France to meet Kermel's executive team at the company's main manufacturing plant. During the meeting they were briefed on Kermel's requirements and agreed an outline profile of any target acquisition.

Evolution CBS was appointed with an initial mandate to conduct a detailed research project to deliver a detailed report on up to 50 potential targets.

The financial criteria was for companies with turnover ranging from £500,000 to £5million, although some slightly larger companies could be included where our client's product range would provide a logical extension to the target's portfolio.

All companies on the list needed to have a range of fire-retardant/resistant workwear along with other industrial workwear products.

Publically listed companies were excluded as were any companies that promoted competitive brands. Consideration had to be given to the sales and distribution capabilities of each company.



Our initial research showed that the industry had very few companies in the middle ground; they were either large organisations or very small companies, of which there were hundreds.

Many companies had been dissolved and of those remaining, several had augmented their product portfolio with other safety products. This reflected the massive changes that had devastated the UK textile industry since the 1980's and through the last global recession.



We identified companies that supply protective clothing for workers in hazardous environments, in particular fire and flash protection, in the following sectors:

- *Fire Protection*
- *Arc Flash protection*
- *Motorcycle Racing*
- *Industrial Workwear*
- *Personal Protection Equipment*
- *Hi-Visibility Clothing*



Our research included suppliers to the Oil and Gas Industry, which was experiencing increasing demand for protective clothing and is one of the most safety-conscious industries.

At the end of the first phase of the project we submitted a research list containing 50 target companies that met with the agreed criteria.

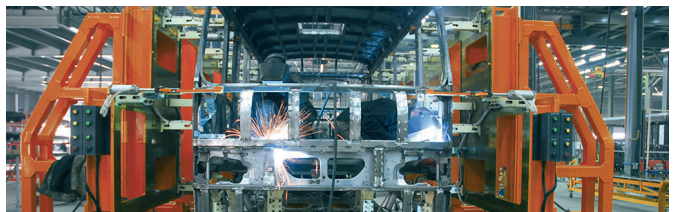
Having agreed a number of targets the next phase of this project was to approach the companies in that list to explore their suitability and arrange initial meetings with those that are both suitable and interested.



All 50 companies on the target list were contacted by our team and the list was qualified further as those companies not interested in an approach from our client were removed.

At the end of this phase of the project we had identified 3 companies for our client to meet. These companies were open to discussions on a future merger or acquisition but wanted to start the relationship with a distribution arrangement in the initial stages.

Formal partnerships were set in place, with a view to long term acquisitions at a time that was right for both parties.



## Postscript

Following this project one of the companies that contracted with our client approached us to carry out a telesales campaign on their behalf in order to generate new business.

