

Vitral A/S – Participation in an industry consolidation process

Translink advised the owner of Vitral A/S in the sales process. The acquisition added another high-quality roof light manufacturer to the fast-growing VELUX Commercial business unit

Basic info



Deal takeaways:

- *Through a structured process across numerous countries Translink was able to generate solid interest. The roof light market had already seen signs of consolidation in the preceding 2-3 years with a number of transactions. The timing was therefore good. The "show-me-the-money" question once again proved*

Transaction announcement

2018 October 15 (Copenhagen, Denmark)

The VELUX Group acquires Vitral, a manufacturer of roof glazing solutions. The company has 60 employees in sales offices in Denmark and the UK and production in Lithuania.

In combination with the recent acquisition of the JET-Group the VELUX Group obtains an even stronger position in the commercial roof light market, totalling 1,100 employees across 13 markets.

Vitral offers flexible roof glazing systems for the commercial market, where VELUX in 2012 introduced the VELUX Modular Skylight (VMS). VMS is larger roof light modules for commercial buildings like offices, schools, retail and larger industrial and public buildings.

Vitral was established in 1956 by Villum Kann Rasmussen, who also established VELUX, and after whom VKR-Holding has been named. The company was sold by VKR-Holding in 2005 to a private investors. At the time, Vitral was a small stand-alone company lacking the size to justify a separate business area in the group. VKR-Holding was therefore not the optimal owner of the company.

Since 2012, with the introduction of VMS, and the recent acquisition of the JET-Group, the VELUX Group has established a strong position in the commercial market. After the change of ownership in 2005, Vitral has developed new high-quality products and made its production more efficient, so the company now fits perfectly in the VELUX Group's new strategy for the commercial buildings market.

Deal summary

INDUSTRIALS



- The transaction was announced on October 15 of 2018
- Vitral A/S is a manufacturer of high-quality, pre-fabricated roof lights for flat and pitched roofs with a high degree of flexibility in size and project adaptation, making the solutions particularly relevant for the renovation market
- The company has strong connections to architects and contractors
- The company strongholds were Denmark and the UK, while entry into other markets had proven slower with the level of resources available
- After 13 years ownership, approaching the age of 60 and with an increasing industry consolidation, the owner decided it was time to sell
- Roof lights are CE-marked products, and products therefore flow freely inside the EU
- Together with the owner, it was quickly decided that search for potential buyers should be narrowed down to 14 EU-countries
- With the teaser and an information memorandum prepared, Translink offices in the 14 countries identified and contacted potential buyers to establish the level of interest
- Interest was good and several potential buyers met with the company's management team
- There were several meetings with one particular non-Danish potential buyer, but eventually this stopped, as the buyer was unable to provide sufficient financing; .. a reminder of the ever-true and very important transaction question: "Can you show me the money?"