

UK CASE STUDY: WELLMAN



Situation

- Acquired by AURELIUS in July 2007 from US corporate

Complication

- Business was generating sales of € 100m & EBITDA of €2m
- Wellman International was under invested
- Manufacturing processes were inefficient
- Product portfolio strategy needed review

Solution

- Wellman became Europe's largest recycler of PET bottles & leading producer of polyester staple fibre products
- Increase of sales to €140m and EBITDA to €10m (2011)
- Sale to Indorama offered an opportunity to combine a global leader in virgin polyester (based in Bangkok, Thailand) with a leader in recycled polyester
- Valuation: €42m (Enterprise Value)
- Cash Multiple: 5.8x investment



AURELIUS Success Factors

- Operational approach / Carve-out experience
- Substantial investment in plant equipment and infrastructure leading to quality advancements
- Re-design of manufacturing processes and new maintenance strategy
- Significant cost reduction in fibre production
- Introduction of controlling systems and efficiency
- New logistics concept
- Product portfolio was upgraded towards high end fibres to comprise three clearly differentiated product families (Hygiene, Smart and Essential Fibres)