
PROPRIETARY

BIP aims to complete deals in Europe and Brazil by end-year – CEO

12 JUL 2019

Apax Partners-backed Italian consultancy Business Integration Partners (BIP) intends to make acquisitions to widen its service offering and reinforce its international footprint this year, CEO Carlo Capè said.

The EUR 220m-revenue company's internal M&A team is scouting takeover targets, Capè said, as well as looking at target suggestions from Apax. It will hire legal and fiscal advisors once it has conducted due diligence on identified candidates, he added.

BIP is looking firstly at the Iberian Peninsula, having poached 25 consultants from KPMG Spain in June, he said, one of whom, Jesús Ruiz, was appointed CEO of BIP Iberia. The company aims to double its presence in Spain, capitalising on its cultural similarities with Italy, he said, adding that the Spanish and aims to have 240 staff within three years, from 120 consultants at present.

Acquisitions will also play a crucial role in the company's growth, he said; M&A will act as a boost growth to both better compete locally and to more quickly expand its footprint in South America, which shares the same language and where many Spanish companies are located.

Ideal targets at the moment are consultancies specialising in insurance and banking, generating EUR 5m annual sales and maintaining a strong client base, Capè said. These deals would be in adjacent verticals to BIP's core business, he added, allowing the company to extend its service offering outside the energy and telecommunications spaces.

BIP also intends to shortlist three targets each in France and the UK by the end of this summer, he said. On both fronts, likely candidates generate around EUR 30m revenue, he said, noting that buying one of these companies would add nearly 15% to BIP's turnover.

The idea is to complete those deals by the end of the year, he said, adding that a deal in either nation would put BIP in a good position to more quickly expand locally.

Outside Europe, BIP is close to starting due diligence on a Brazilian target, Capè said, declining to name it. The candidate is a Sao Paulo-based group generating EUR 7m turnover, specialising in financial and credit-card services, he said.

Capè described the deal as strategic, adding that it would facilitate BIP's expansion in adjacent nations, including Chile and Colombia, where BIP already operates.

The company has several funding options, including in-house cash, and debt, Capè said. It can also rely on EUR 100m financial support from Apax – as [reported](#) – which acquired the majority stake in BIP in March 2018 from PE firm Argos Wityu in a EUR 200m deal, he said.

Management projects EUR 300m revenue next year, expected to rise to EUR 400m by 2023, he said, without disclosing the company's EBITDA.

While an IPO is a realistic option for the company, it is premature at present, Capè said, adding that BIP will look at Accenture [NYSE:ACN], Reply [BIT:REY], and Gruppo Be [BIT:BET] as direct comparables in the event of a listing.

The company could consider a US listing should it make a large acquisition there, Capè said, adding that management is still assessing the best means to enter the US market. BIP could also consider merging with an American player, he said, noting that the US market is fragmented among companies generating EUR 300m turnover.

No decision has been made on when the business could be listed or merged, he added, as BIP is now focused on consolidating its international market penetration via M&A.

CEOs Carlo Capè and Fabio Troiani, and Chairman Nino Lo Bianco hold most of the minority stake, alongside 15 other managers, as previously reported.

Established in 2003, BIP provides management consulting and business integration services and employs more than 2,500, of whom 2,000 are in Italy.

by Micaela Osella in Milan

Grade: Confirmed

BIDDERS

[Business Integration Partners S.p.A.](#)

Financial advisor

[Apax Partners SAS](#)

Competitors

Accenture Plc

Be Think, Solve, Execute S.p.A.

Reply S.p.A.

Countries

Brazil
Chile
Colombia
France
Italy
Spain
USA
United Kingdom

States

Sectors

Services (other)

Sub-Sectors

Consulting services
(excl. IT consulting)

Topics

Advisory Invitation
(Bankers, Other)
Advisory Invitation
(Lawyers)
Bolt on/Oppportunistic
Cross Border
Market Entry
Private equity related

Intelligence ID:
2869993

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