



## Cooper Standard acquires CMP's sealing systems engineering division

### Deal Highlights

- IMAP Spain advised CMP Automotive Group (CMP) on the sale of its sealing systems engineering division to Cooper Standard.
- With this deal, Cooper Standard integrates one of its key engineering suppliers into its own processes. It provides Cooper Standard with critical know-how, which will enable it to reinforce its strategic position against the main competitors in the sector.
- CMP's sealing systems engineering division has maintained a long-lasting business relationship with Cooper Standard. This division was considered to be non-core by CMP within its current strategy and the transition of ownership is expected to be uneventful.
- CMP manufactures rubber-metal anti-vibration and sealing devices, mainly for the automotive industry. The group's overall revenue for 2018 was circa €300 million.
- Cooper Standard is a global supplier of systems and components for the automotive industry, including rubber and plastic sealing systems, fuel & brake delivery systems and anti-vibration systems, among others. Listed on the NYSE, it has reported sales volumes of circa \$3.6 billion.

### Market Outlook

- According to Bloomberg New Energy Finance's 2018 report, electric vehicles are expected to make up 55% of overall global light vehicle sales by 2040. This means that automotive rubber-metal component manufacturers with a key dependency on combustion engines will either need to diversify into manufacturing rubber-metal components suitable for electric vehicles, or by some form, gain the ability to apply their technology to new or other rubber product industry verticals.
- The diversification processes driven by companies reorganizing or moving into new/other industry verticals are expected to lead to a significant amount of M&A transactions in the automotive rubber-metal components industry.

### Valuation Summary

- Financial details for the deal have not been disclosed. However, looking at current valuations in the industry, valuations of 7x EBITDA or higher could be seen, depending on the size, geography and company specifics.

AUTOMOTIVE 

  
Global supplier of systems and components  
for auto industry  
UNITED STATES

Acquired 100% of Business Operations

  
CMP  
AUTOMOTIVE  
GROUP  
CAUCHO METAL PRODUCTOS

CMP Automotive Group's sealing systems  
engineering division  
SPAIN

IMAP  
ADVISED ON SALE OF COMPANY

## IMAP Approach

- IMAP Spain advised the owners of CMP throughout the entire M&A process, from the valuation of the business unit, through closing. Though a complex transaction, it was completed in approximately 9 months.
- The teams extensive experience in the metal-rubber auto-part vertical, as well as in the broader auto-part industry proved invaluable during the sales process.
- In the last 15 years, IMAP Spain has completed over 25 transactions and valuation projects in the auto-parts industry.

## Client Comment

Alfonso Ameyugo, CEO, CMP Automotive Group:

*“We have been fully supported by IMAP Spain in divesting a non-core business unit of our company Group, particularly in the process of negotiating and closing a complex transaction.”*

## IMAP Transaction Advisors



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IMAP has closed 20 transactions in the Automotive sector since 2015

AUTOMOTIVE	AUTOMOTIVE	AUTOMOTIVE	AUTOMOTIVE	AUTOMOTIVE
 Acquired 100% of Business Operations  IMAP <small>ADVISED ON SALE OF COMPANY</small>	 Acquired 100% of Business Operations  IMAP <small>ADVISED ON SALE OF COMPANY</small>	 Acquired Majority Control of Business Operations  IMAP <small>ADVISED ON SALE OF COMPANY</small>	 Acquired 100% of Business Operations  IMAP <small>ADVISED ON PURCHASE OF COMPANY</small>	 Acquired 100% of Business Operations  IMAP <small>ADVISED ON SALE OF COMPANY</small>

IMAP is an International Mergers and Acquisitions Partnership with 450 M&A advisors and a presence in 40 countries. IMAP has closed over 2,100 transactions valued at \$90bn in the last 10 years and is consistently ranked in the world's top ten M&A advisors (Thomson Reuters) for mid-market transactions. IMAP advises primarily mid-sized companies and their shareholders on the sales and acquisitions on a global scale, providing clients with entrepreneurial, unbiased advice and successfully helping them achieve their objectives.