

# Leading supplier of fire extinguishing systems for tooling machines sold to Deutsche Beteiligungs AG

## Deal Highlights

- IMAP Germany advised Swiss private equity investor INVISION, on the sale of its majority stake in Kraft & Bauer Group (K&B), market leader in the supply of fire extinguishing systems for machine tools, to Deutsche Beteiligungs AG (DBAG). DBAG will acquire a majority stake in K&B as part of a management buyout (MBO), alongside the founding Bauer family and current Managing Director, Frank Foddi.
- K&B develops, produces and installs microprocessor-based fire extinguishing systems for 800 different types of tooling machines. With strong proprietary IP and an efficient service network comprising over 80 employees in Germany, Switzerland and Italy, K&B is an attractive investment with strong international growth potential.
- INVISION had been invested in K&B for 5 years. Accompanying it during a strong growth in performance, it was now seeking to exit.

TECHNOLOGY

**kraft & bauer**  
BRANDSCHUTZSYSTEME  
Advanced fire extinguishing systems  
GERMANY

Was Acquired By

**Deutsche Beteiligungs AG**  
Private equity (stock listed)  
GERMANY

**IMAP**  
ADVISED ON SALE

## Market Outlook

- The market for object fire protection systems for machine tools is largely driven by a greater level of awareness regarding security among manufacturers and users, increased requirements for machine tools and the growing production of machine tools.
- K&B aims to expand its business with existing clients in Germany, Austria, Switzerland and Italy by capitalizing on the rising demand for fire extinguishing systems for new machines, as well as retrofitting older machine tools.
- Additionally, K&B plans to attract new clients and push ahead with the company's international expansion beyond its current markets.

## Valuation Summary

- The transaction value of this deal is confidential. Companies in the fire extinguishing systems field have recently achieved attractive valuations at double-digit EBIT multiples and Sales far higher than 1x, due to strong underlying demand trends, attractive operating margins and international growth potential.
- The acquisition of a stake in Minimax Viking by ICG in 2018, for example, was valued at 1.4x EV/Sales.

## IMAP Approach

- With a profound understanding of both the object fire protection systems and machine tools markets, IMAP exclusively advised the sellers in the search for a suitable partner.
- IMAP, together with the client, determined that an independent investor would be the best strategic match for K&B, due to the company's strong market positioning and clear profile. Therefore, IMAP approached only very select financial investors and orchestrated a highly competitive process until signing. This resulted in a very attractive outcome for the sellers, including the founding family, as well as the company and its management.
- The transaction was completed in less than 4 months following the initial approach to market.

## Client Comment

*Martin Spirig, Partner at INVISION:*

“IMAP has orchestrated a well-prepared and structured process and showed great dedication in assisting us with sound advice. The transaction team built strong relationships with all parties involved and produced a very positive result.”

## IMAP Transaction Advisors



**Dr. Carsten Lehmann**  
Managing Partner  
IMAP Germany  
carsten.lehmann@imap.com



**Philipp Noack**  
Project Manager  
IMAP Germany  
philipp.noack@imap.com

IMAP has closed several transactions in the fire protection systems and electronics sectors:

INDUSTRIALS

**INEX CORPORATION**

Acquired 100% of Business Operations

**AWG**

IMAP  
ADVISED ON SALE OF COMPANY

INDUSTRIALS

**PAMICA**

Acquired 100% of Business Operations

**Cupsola**

IMAP  
ADVISED ON PURCHASE OF COMPANY

TECHNOLOGY

**BB ELECTRONICS**  
EMS – from idea to solution

Acquired 100% of Business Operations

**WENDELL**

IMAP  
ADVISED ON SALE OF COMPANY

TECHNOLOGY

**WESTVIEW CAPITAL PARTNERS**

Acquired 100% of Business Operations

**bell howell**

IMAP  
ADVISED ON SALE OF COMPANY

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.