

AUGUST 2020 DEAL OF THE MONTH

# CLAIRFIELD INTERNATIONAL ADVISES PLURADENT GROUP ON SALE TO DEUTSCHE MITTELSTANDSHOLDING

ADVISOR OF CHOICE FOR THE DENTAL SECTOR

CLAIRFIELD  
INTERNATIONAL

  
pluradent

was sold to



DEUTSCHE  
MITTELSTANDSHOLDING

## Transaction Summary

Pluradent Group, Germany's second largest distributor of dental consumables, dental practice equipment and accompanying technical support services, was acquired by Deutsche Mittelstandsholding, a German investment holding, as part of a debtor in possession insolvency proceeding.

**Deal team:** Jack Helm, Ekaterina Abrosimova, Martin Lemmer

## Profile of the Companies



**Pluradent Group**, established in 2001 by a merger of ten dental depots and headquartered in Germany, is the second largest dental distributor in Germany with over €300 million in sales and is known for innovative practice concepts, quality technical service support backed by an efficient supply chain subsidiary, GLS Logistik, which fulfills both Pluradent and third party logistics to the European dental industry.



**Deutsche Mittelstandsholding ("DMH")** is a German investment holding focusing on special situations within the German "Mittelstand" or mid-sized companies. DMH provides long-term equity for further corporate development and supports its portfolio companies strategically, commercially and operationally.

## Executing in the middle of the COVID-19 lockdown

Pluradent Germany as well as its subsidiary GLS Logistik both filed for insolvency under self-administration in February 2020 just as the COVID-19 lockdown began. Restructuring experts at the law firm Greenberg Traurig were appointed to the management boards of Pluradent and GLS Logistik to oversee the insolvency process. The insolvency lawyers and creditors committee selected Clairfield for its expertise in dental distribution and a structured M&A process was initiated in the middle of the March COVID-19 lockdown. The stakes could not have been higher since the alternative was the liquidation of both companies which would result in significant unemployment. The deal team conducted extensive discussions throughout lockdown with both strategic and financial investors, and Deutsche Mittelstandsholding was selected at the conclusion of this competitive "virtual/ fully online" M&A process. Pluradent and GLS Logistik have since emerged from insolvency as parts of the "New Pluradent" Group sporting a completely debt free balance sheet, a radically reduced cost structure, and a completely new investor base.

## Clairfield Role

"Clairfield had followed the company and dental distribution sector for some time and as such was the logical choice in finding an appropriate partner. We finished this deal with the Clairfield team under extremely challenging COVID-19 conditions," said Christian Köhler-Ma, Partner at GT Restructuring.

"The term "getting it done" took on a whole new meaning in lock-down given legal timetable constraints. Imagine virtual plant visits, management presentations, one-on-one video sessions with key employees, a fully on-line due diligence process, and you begin to appreciate the organisational care required to achieve a successful outcome," said Dr. Gordon Geiser, Partner at GT Restructuring.

"Deal team tenacity and communication skills during the COVID-19 lock-down were put to the test in market conditions where "cash conservation", investment stops, and a complete travel lock-down had to be overcome," said Karsten Hemmer, CEO of the Pluradent Group.

"Clairfield understood the importance of seamless logistics delivery linked to technical service in modern dental distribution," said Michael Herdt, Managing Director of GLS Logistik.

## League Table Europe 2019\*

Rank	Advisors	# of deals
1	Rothschild	270
2	IMAP	157
3	KBS Corporate	142
4	Oaklins	131
5	<b>Clairfield</b>	<b>128</b>
6	Lazard	121
7	RDK	97
8	Lincoln	94
9	Grant Thornton	94
10	J.P.Morgan	88

Top 5  
of independent  
M&A advisors in  
Europe

Top 10  
of independent  
M&A advisors  
worldwide

## Selected Clairfield Dental Transactions

<p>GERMANY</p>  <p>was sold to</p> 	<p>FRANCE</p>  <p>was sold to</p> 	<p>GERMANY</p>  <p>acquired</p>  <p>So einfach ist das.</p>	<p>POLAND</p>  <p>was sold to</p> 
<p>NETHERLANDS</p>  <p>acquired</p> 	<p>NETHERLANDS/SPAIN</p>  <p>sold its 50% stake in Dentaid Benelux to</p> 	<p>POLAND</p>  <p>was sold to</p> 	<p>NETHERLANDS</p>  <p>was sold to</p> 
<p>GERMANY</p>  <p>acquired</p> 	<p>NETHERLANDS</p>  <p>was sold to</p> 		

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