



CoBe Capital specializes in the acquisition and operation of non-core and underperforming business units in the Americas and Europe from leading global corporations.



From non-core assets to underperforming units, corporations as diverse as Stanley Black & Decker, Mohawk Industries, Staples, HNI Corporation, Gorenje d.d., AFG Arbonia-Forster-Holding AG, IAC/InterActiveCorp, Dover Corporation, and Hachette Livre have sought out our expertise to execute swift and seamless transactions.

> Acquisition Solutions: Corporate Divestitures

# Tailored solutions

A distinct focus on corporate divestitures gives CoBe unique strengths around tailoring transactions for corporations seeking to divest operations that no longer fit their core strategy. We are well versed with the issues surrounding carve-outs, such as stand-alone cost assessment and separation of a carve-out balance sheet. Our transactions often involve other long-term considerations for the seller such as an ongoing relationship with the divested unit's products or services.

CoBe is committed to supporting corporate sellers in attaining their strategic goals by maintaining a flexible, responsive and highly focused transaction process, led by experienced M&A professionals, to ensure, speed, decisiveness and certainty of close.

Catalysts for a transaction:

- Legacy business that no longer fits current strategy
- Non-core operation within a large strategic acquisition
- Non-core geography creating a distraction
- Sub-scale business with excess overhead
- Captive supplier that had been acquired defensively
- Distribution-arm creating conflict with customers
- Prohibitively high costs to close or exit an operation

## Perspective from our team



"Our core thesis is that orphaned business units tend to be starved for resources and under the ownership of a focused, and under a focused operational investor like CoBe Capital, they can achieve better results."

**DARREN MCKENZIE CHAFFEE, CFA, CPA**

Managing Director, Global Mergers and Acquisitions, CoBe Capital

# Managed entrepreneurship

Only in rare cases do external consultants alone possess the management competence necessary to ensure a precise and fast implementation of value-generating measures. Moreover, there is a conflict of interests between the long-term perspective of an investor and the short-term orientation of an external advisor. Therefore, the implementation of new strategic measures to create value are ideally managed by an owner - CoBe actually executes our turnarounds with internal resources.

We were established by operating specialists, not by former investment bankers that specialize in financial engineering. After a successful run as a real estate investor, Neal Cohen, our founder and managing director, “learned by doing” as he parlayed his capital from real estate into operating companies that he managed directly. This experience is the basis of the entire business model here at CoBe. We believe that our experience owning and operating businesses sets us apart from the world of private equity.

Additionally, when we are evaluating a company and building a business plan we rely heavily on the insight and leadership from within the company and our regional specialists. The difference is that we are very similar to that of a strategic buyer as opposed to an equity sponsor.

# Long-term success

CoBe Capital mitigates the risks associated with carving out and operating a business as it transitions from a parent organization to a standalone, independent operating company; with its own empowered management team accountable for managing the day to day operations and executing its strategic growth plans. This approach ensures the seller’s divestiture goals are achieved quickly and that the newly acquired business is supported with the human and financial capital it needs to become a sustainably profitable enterprise.

StanleyBlack&Decker



# What it's like to work with CoBe Capital



"Over the years, we have helped a lot of companies sell complex/underperforming assets and in our view, CoBe Capital's willingness to invest the time, energy and patience to put a deal together in challenging circumstances and your sensitivity to the needs of a corporate seller are rare."

**IAN MACDONNELL**

Managing Director, Crosbie & Company