

Acquisitions

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Maizels, Westerberg faces future

For London-based boutique bank Maizels, Westerberg, the loss of its 43-year old co-founder and chief executive Spencer Maizels is a bitter emotional blow, but one that leaves the firm ready to fight on without its chairman and chief executive.

"On a personal level, it has been very upsetting for everyone because we worked with him and had to watch his condition deteriorate," says managing director Mark Florman. "But on a business level," he adds, "you have to remember that we are now quite big as far as boutiques go, and he has created a bank, in just two or three years, which is well-positioned to go on without him."

Florman also affirms that there was no possibility of the partners considering selling out without Maizels on board. "I can imagine that losing one partner out of two or three could present a problem for the future of the business, but not in this case," he says. Maizels intended the bank to be a revolving partnership, and Florman says he expects that they will keep the number at around five or six.

No-one is taking over Maizels' chief executive title. The five remaining partners include the three Swedish industrial and political 'heavyweights', whom the firm

has always claimed to be instrumental in being successful in the relationship-driven Scandinavian market: Sten Westerberg, Peter Wikström and Tomas Söderström. Westerberg, who is now chairman of the group, had a shared vision with Maizels and Florman when the bank was launched.

A closer look at Maizels, Westerberg reveals that it is an impressive legacy for Spencer Maizels to leave behind. "One of his biggest aims," says Florman, "was that there would be as little bureaucracy as possible in the banks. He wanted the partners, each of whom has different skills, to be able to work together and support each other without any hindrance. The firm now has 19 deal-making executives in its two offices, with just four support staff.

Another hallmark of the firm which it is carrying forward has been its deliberately low profile. Maizels was a real believer that the Scandinavian corporate culture demanded discretion and loyalty, and Maizels, Westerberg tombstones have been seen in far fewer numbers than its level of activity demands.

It is fitting that one of the last major deals on which Maizels Westerberg worked is one that according to Florman, is characteristic of the sort of complex deals that Maizels loved. The firm advised Swedish

co-operative KF on the Skr2.7 billion sale of four non-core businesses, including BT Industries, to a group of financial bidders led by Nordic Capital.

The four linked disposals left KF with a minority stake to take advantage of any upside, and much lower gearing. Maizels, Westerberg helped KF to restructure its debt after the deal.

The bank has even been reluctant to shout too loudly about its own deals: in 1994 it embarked on two joint ventures. Hambro, Maizels, Westerberg – a partnership with the UK merchant bank – is based in London and (soon) Stockholm, and provides advice solely on asset-based finance. Heggeli, Maizels, Westerberg is based in Oslo and provides specialist advice to the shipping, maritime and offshore industries. □

Mark Florman

