

## THE RAIN MAKERS

PROFILES OF THE CITY'S LEADING FIGURES

### MARK FLORMAN

**The head of Maizels Westerberg operates from an old-fashioned banking parlour in St James's, but is at the cutting edge of Scandinavian companies' mergers and acquisitions**



**T**HE Scandinavian countries are small, but they have a disproportionate corporate base. Sweden has just 9m inhabitants and Norway, Denmark and Finland only 4m to 5m each, but they are home to huge companies such as Nokia, Ericsson, Volvo, Saab, Atlas Copen, Norsk Hydro, Kvaerner, ABB, Electrolux and the Astra half of Zeneca.

It has done Mark Florman no harm to choose this corner of Europe as his corporate finance niche.

Is it something to do with the long winter nights? Florman, head of the Maizels Westerberg investment bank, has his own theory: "There's a tradition of inventors going back to the 19th century—many coming from Belgium and Scotland. There's a high level of education, but they realised that, with their population, they had to be international. Now there are 50 well-known Swedish brands operating all over the world."

The hole in the Scandinavian portfolio, though, is investment banking—and Florman's boutique is intended to fill that gap. All his deals have a link with those countries. Alvis brought in Maizels to guide it through the minefield of the first Nordic cross-border

defence acquisition—the British company's purchase of Hägglunds Vehicle from the Wallenberg family—and on Friday Maizels resold part of the Alvis business to Saab.

But he started looking at the Scandinavian countries when he joined Northern Trust in Chicago in 1981 and was responsible for them when he moved to County Bank in 1986. He resigned the day the government appointed inspectors to investigate the NatWest subsidiary's involvement with Blue Arrow. "For God's sake don't mention Blue Arrow," he says. "It was a coincidence. I was in another department."

It was while working for Enskilda, where he ran Swedish origination, that he and his colleagues thought of leaving that mighty Scandinavian bank to form their own boutique. The details were planned over dinner with his then partner, Spencer Maizels.

They opened for business in 1992 with five partners, including Sten Westerberg, the under-secretary at Stockholm's finance ministry. The plan was to name the firm after all five, but says Florman: "The letterhead was not long enough." He was one of those who stood back, but when Maizels died of cancer two years later, he became managing partner.

The death was a setback to a firm which had been blessed with fortune on its first day: no sooner had the boutique opened than it was asked to split up Procordia, the conglomerate in which the Swedish government and Volvo each owned 40%. Florman demerged the Pharmacia division (which later merged with Ujoh) and created BCP, the Swedish match, food and drink group.

It was the first of many deals christened with champagne. Florman believes in motivating the staff—there are now 25 partners and employees split between London and Stockholm offices—with good ideas regularly rewarded with mugs.

He is now 40, though looks foggish enough to have been born far earlier, but he is not against leading the staff in go-karting bonding sessions.

For clients, the sport is likely to be shooting duck or pheasant, but every year Maizels flies all the staff to a ski resort—Alpine, not Nordic. It is so competitive that the London office's newest recruit just happens to be a qualified US ski instructor working at CSFB.

Volvo has provided other excuses for champagne, not least the sale of its Alfred Berg investment bank to ABN Amro, but mandates include the \$600m financing of

paper machines for SCA, the \$2bn restructuring of the KF retail group and many of the largest disposals of the 1990s, including the Duni packaging group and AU Systems for Ericsson.

Other work includes SAS's recent purchase of 25% of Skyways and advising Danish State Railways. It was Maizels that acted on the \$675m bid for Marieberg and which merged the Stockholm Stock Exchange with the city's options market.

A year ago Maizels topped the table for the value of deals by independent corporate finance houses advising on European acquisitions and Florman will be pleased if this year's 15 or so deals, such as the sale of Aga UK to Air Products or the acquisition of Bokus.com, Sweden's internet bookseller, can keep it on top.

He runs the firm from an old-fashioned banking parlour in St James's, but after seven years he wants to be a fund manager, too, and is now expanding the corporate business into Poland, Germany and the Benelux countries. The legendary Stanislas Yasukovich has just been recruited to help that progress.

Even now, Florman does not claim to be fluent in his clients' languages. "They're English-speaking," he says. "I understand Swedish—but I don't speak it."