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Maizels merger creates pan-Nordic banking group

Maizels Westerberg, the Swedish corporate finance boutique, has merged with MeritaNordbanken to create a pan-Nordic investment banking group, writes *Charlie Welsh*.

The group, to be called Maizels Merita Nordbanken Investment Banking, will add to Maizels' existing stable of M&A, restructuring and structured finance advice by providing it with an equity, acquisition finance, high-yield bond and private equity capability.

The combination will bring Maizels existing staff of 40 up to about 70 and give it the capacity to provide its clients with integrated investment banking solutions.

The move represents an important step forward in Maizels' traditional strategy of providing old-style relationship corporate finance work.

"We have modelled Maizels MeritaNordbanken on the approach of boutiques on Wall Street," Mark Florman says, head of Maizels Westerberg.

"If you look at what Wall Street has done in the last 24 months you will see that a number of US boutiques have grown from pure M&A and have added on a number of other businesses."

Florman, referring to such firms as Gleacher & Co, Wasserstein Perella and Blackstone, said that

the aim was to leapfrog from Wall Street, over the top of the UK M&A boutiques, to the Nordic region.

"The sheer pace of change in Scandinavia has meant that we needed to be bigger and stronger and to serve clients with extra resources," Florman says in accounting Maizels' shift away from pure advisory towards an investment banking model.

As in the US, the large number of private equity houses which have appeared in Scandinavia has been a driving force behind this growth in product range.

Unlike many corporates, private equity houses require sophisticated financial products to fund their takeovers, a factor which has motivated US boutiques and Maizels to expand their product range.

"Private equity houses are providing an enormous catalyst for change in Scandinavia," Florman says.

Although the merger means that Maizels is no longer a boutique because it has lost its independence, Florman insists that the firm will be run like a boutique.

"The firm will still be run like a boutique because our overriding interest is that of our client. While we will be selling products we will not be selling them unless they are in the best interests of our clients."