

**EXECUTIVE CLUB MEETING****All About Management Buyouts**

■ This year's first meeting of the Executive Club took place at the Sobański Palace Jan. 22. Cigno Consulting and Holon Consultants hosted many outstanding business community representatives. The meeting opened with a discussion panel dedicated to the acquisition of companies by groups of managers. President of Holon Consultants Dr. Maciej Cieślak introduced the subject of management buyouts, still insufficiently known among Polish managers, to the guests. The organizers invited four experts to moderate the discussion. Tomasz Stamirowski, president of Avalon Sp. z o.o., which specializes in conducting management buyouts, opened the discussion.



The discussion was continued by Jacek Korpała, board member of The European Private Equity and Venture Capital Association and a partner of DGB Eastern Europe private equity fund, who has also been a board member of Arthur Andersen Polska. Piotr Misztal, who has been a partner at the Warsaw office of the private equity fund Riverside for over a decade, then joined in the discussion. He was previously deputy president of Caspian Securities Polska and director of the 11th National Investment Fund (NFI). The fourth expert to contribute to the discussion was Zbigniew Rekus, the managing director of Mid Europa Partners Warsaw Office who has also worked in the private equity investment sector and who worked as an advisor for the World Bank.

The Center for Management Buyout Research (CMBOR) estimates that management buyouts in Western Europe were worth more than 120 billion euros in 2005. Over 1,400 transactions were concluded. The data concerning Poland is imprecise, as information concerning management buyouts is often not made public. The discussion moderators presented figures for 2005 revealing that 30-50 transactions were concluded, worth over zł.1 bil-

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lion. According to the experts, the time of management buyouts is coming in Poland. Factors indicating this include the excess of capital on the market, the availability of various forms of financing, the good economic situation, and also the opportunity of using the ready solutions and growing experience of consulting firms. The panel participants presented a number of management buyout examples. After the formal part of the meeting, Executive Club guests continued their conversations in a friendly atmosphere accompanied by music, while sampling dishes prepared by Wojciech Modest Amaro, wine and Cuban cigars. Female guests, who are still in the minority among the Executive Club members, were presented with carnival masks by the organizers. The *Warsaw Voice* was one of the media patrons of the meeting.

Jacek Korpała, Piotr Misztal, Tomasz Stamirowski, Maciej Cieślak

**Neinver Invests in Poznań**

■ Spanish company Neinver, a leading European developer, is starting the construction of Galeria Malta in Poznań. The company will invest 125 million euros in building a state-of-the-art multipurpose shopping center, which should open in the last quarter of 2008.

Galeria Malta, Neinver's biggest investment project in Poland, will be one of the biggest multipurpose shopping and entertainment complexes in Poznań. It will cover a total area of 153,000 square meters, 52,000 square meters of which will be taken up by stores, services, a cinema, a recreation center and numerous cafes and restaurants. Customers will be able use a 2,000-car, multilevel parking garage with direct access to the center. With about 200 stores and services, the center will provide employment to roughly 1,500 people from Poznań and the

surrounding area. Though Galeria is opening in over a year and a half, 70 percent of the space has already been rented or reserved by Polish and international store networks.

Galeria Malta is not Neinver's only investment in the region. The first Factory outlet center in the Wielkopolska region, also being built by the company, will open within the year in Luboń.

Neinver Polska is the company that introduced the outlet concept to the Polish market, with the 2002 opening of the first Factory outlet in Warsaw. Before the end of 2008, the company is planning to open two more Factory outlet centers, in Poznań and Cracow, as well as its biggest investment on the Polish market, Galeria Malta in Poznań. **A.R.**

One of Galeria Malta buildings

**Gino Rossi Plans to Expand**

■ Warsaw Stock Exchange-listed Gino Rossi, known mainly for footwear production and distribution, is planning to expand its retail network both in Poland and abroad. It is also considering more takeovers. In November 2006, it bought out Simple Creative Products, a womenswear distributor, for zł.32 million. This acquisition started the building of a group. Currently, it manages a portfolio of brands that includes Gino Rossi, Vanita, Geod and Simple.

"We don't rule out acquisitions in cosmetics or jewelry," says Maciej Fedorowicz, president of Gino Rossi. This means taking over brands and whole retail chains, also outside of Poland. "The German market seems most promising. We have five stores and a strong client base there," says Fedorowicz.

Currently, the company has 84 Gino Rossi stores in Poland and 20 abroad. In the Polish footwear network there are also five Vanita stores and four Geod stores. The Simple womenswear network has 28 stores as well as six stands in Royal Collection stores. **L.Ż.**