


Corporate Finance News

Disposal of BBS GmbH's operating activities to KW automotive GmbH

Commerzbank managed a competitive global M&A process with strong interest from strategic as well as financial investors in a time-sensitive insolvency situation. This transaction underpins our strong ability to execute complex M&A transactions in special situations.



COMMERZBANK 

BBS
Technik aus dem Motorsport

Disposal of BBS GmbH's operating activities to KW automotive GmbH

Financial Adviser

Signed

Close Year: 2021
Industry sector: Automotive
Transaction type: Distressed/
Special-situation M&A
Countries: Germany

Target profile

Headquartered in Schiltach, Germany, BBS GmbH ("BBS") is a leading manufacturer of cast light alloy wheels for both aftermarket and premium OEM customers.

BBS operates two production facilities in Southern Germany with a total annual output of more than 300k alloy wheels and a sales & distribution centre in the USA.

Initial situation

While BBS is the globally leading brand in the alloy wheels space, the company had to file for insolvency in July 2020, resulting from severe strategic and structural problems intensified by the global COVID-19 pandemic.

The insolvency administrator, Thomas Oberle, retained Commerzbank M&A to structure a competitive sale process.

Commerzbank approach

- Preparation of sustainable going concern concept
- Competitive cross-border auction comprising a broad range of strategic as well as financial investors
- Efficient handling of mostly virtual due diligence (due to COVID-19) with multiple bidders
- Intensive negotiations with all core stakeholders
- Very stringent M&A process management with just over four months from kick-off to signing of the transaction

Transaction outcome

"I am proud that BBS will become part of our KW automotive group. BBS is still one of the world's most innovative alloy wheel brand. [...] Based on our longstanding experience in the automotive aftermarket together with investments in the production and digitalisation, we are convinced to position BBS for a successful future", says Klaus Wohlfarth, owner of KW automotive GmbH.

About Commerzbank

Commerzbank is the leading bank for the German Mittelstand and a strong partner for around 30,000 corporate client groups and around 11 million private and small-business customers in Germany. The Bank's two Business Segments – Private and Small-Business Customers and Corporate Clients – offer a comprehensive portfolio of financial services. Commerzbank transacts approximately 30 per cent of Germany's foreign trade and is present internationally in almost 40 countries in the corporate clients' business. The Bank focusses on the German Mittelstand, large corporates, and institutional clients. As part of its international business, Commerzbank supports

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