

MERGERS & ACQUISITIONS

Transportation

GeoPost Takes Over Tigers from Solis in Latest Logistics

Deal

Solis Capital exits Tigers Ltd. as logistics deals continue to abound

By ANTHONY NOTO

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GeoPost SA purchased a majority stake in Hong Kong transportation and logistics company **Tigers Ltd.**

Terms of the deal were not disclosed.

The stake was sold by **Solis Capital Partners LLC**, a lower middle market private equity firm based in Newport Beach, Calif.

Tigers, a transportation and logistics provider, was formed through a 2011 merger between Solis portfolio company Kamino Logistics Group Ltd. and Hong Kong-based transportation company WLG Inc. GeoPost partnered with Solis on the transaction and owned a 2 percent ownership stake of Tigers at the time.

The deal with GeoPost grows its stake in Tigers to 63.75 percent.

Based in Issy les Moulineaux, France, GeoPost operates as a subsidiary of La Poste Société Anonyme, a mail and data management provider to small businesses. The acquisition of Tigers makes good on a promise GeoPost made in April when the company's chief executive Paul-Marie Chavanne, announced plans to grow outside of Europe via M&A. The company looks to spend up to €1.5 billion (U.S.\$2 billion) on acquisitions.

Solis typically makes investments that hover between \$2 million and \$25 million in companies that have revenues ranging from \$15 million to \$100 million. The firm has invested in five portfolio companies through its first fund, including La Jolla, Calif.-based Miro Technologies Inc., a provider of software for ground-based logistics geared toward the aerospace and defense sectors.

Solis' second fund recently closed with \$61 million in capital commitments. The sale of Tigers represents a full realization Solis' first fund, which has so far contributed to a gross return on invested capital of 3.4 times and a realized initial rate of return in excess of 25 percent since the firm was founded in 2003.

The deal also underscores the heightened land grab of logistics companies, both U.S.-based and abroad.

XPO Logistics Inc. (NYSE: XPO), for example, recently picked up 3PD Inc. for \$365 million. XPO's CEO

Bradley Jacobs said in a January 2012 video interview that the industry was ripe for consolidation. For more on logistics, see "Logistics, Logistics, Logistics."

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