

# **BROADCAST TEXT INTERNATIONAL**

Investment: **2008**

Status: **Exited**

Sector: **Subtitling and related services**

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bti.pdf

## **THE LEADING EUROPEAN SUBTITLING AND DUBBING COMPANY**

Valedo invested in Broadcast Text 2008 and has together with management and the board of directors executed on a number of organic growth initiatives and completed three add-on acquisitions. The company has grown through improved relationships with existing customers, attracting new customers as well as expanding into adjacent services.

### **BACKGROUND**

Broadcast Text International ("BTI") was founded in 1998 by Chief Executive Officer Björn Lifvergren and has ever since experienced healthy growth and served the leading broadcasters. In 2000 BTI became a part of the media company SBS Broadcasting and subsequently a part of the German media company ProSiebenSat.1 when it acquired SBS in 2005. Valedo and BTI's management and board acquired the company in August 2008 from ProSiebenSat.1.

### **WHAT HAS BEEN ACCOMPLISHED**

Since Valedo invested in BTI 2008, the company has developed into a leading European subtitling and dubbing company. Ambitious growth initiatives and intensified customer interaction have strengthened the subtitling business and focused efforts and investments in dubbing studios have increased the company's dubbing sales severalfold to about 20% of company sales in 2013. Development of and investments in a new IT-system have enabled improved quality in the service production and improved productivity. From 2008 to 2013 the company grew organically by ~12% annually and improved the EBITDA-margin from ~12% to ~16%. Three strategically important acquisitions have established the company in Eastern Europe, strengthened the position in the Nordic region and expanded the service offering to access services

"I am proud of the development of BTI that management, together with the support from Valedo and the board of directors, have achieved over the last five years. Despite a challenging macroeconomic climate in the years 2008- 2011, we have managed to expand significantly through growth oriented investments in our operations and three strategic add-on acquisitions. Critical for the company's success have been a clear growth focus and committed owners and board members willing to invest in the business. "

Björn Lifvergren

Chief Executive Officer of BTI

### **KEY INITIATIVES DURING OWNERSHIP**

In order to establish a leading subtitling and dubbing company, a number of initiatives have been implemented since 2008:

- Ambitious growth initiatives and intensified customer interaction and strengthened sales force
- Three strategically important add-on acquisitions

- Chello Zone's Studio business – expansion to Eastern Europe and dubbing
- Primetext – solidifying the Nordic position in subtitling
- IMS – expansion to access services
- Organisational re-structuring to create more customer focused operations and improve productivity
- An experienced and dedicated board of directors with experience from growing media and services companies appointed
- Development and implementation of productivity program
- Expansion into adjacent services
- Significant investments in dubbing studios
- Investments in new IT-system to improve productivity and make operations more scalable
- The owners have not taken any dividends and instead invested substantial amounts in the business
- Key personnel have been offered to invest in BTI in order to create a long-term approach and common agenda with the owners

## **DIVESTMENT OF BTI**

Following five years of growth and overachievement of the targets established at time of Valedo's acquisition in 2008, BTI was deemed ready for the next step. The European market consolidation, which BTI had been a driving force in, was expected to continue globally which contributed to significant interest from potential buyers to acquire BTI. Consequently, Valedo was contacted by potential buyers during the spring and summer of 2013. Discussions with potential buyers resulted in that a unit of US stock listed global alternative asset manager The Carlyle Group acquired BTI in September 2013.