

Tempco Textilmaschinenkomponenten GmbH, 2005

Machine construction, component manufacturers

Situation

In 2005 the manufacturer of components for the textile machine construction industry got into an existential crisis and had to file for insolvency. Previously the traditional markets, especially on the American continent, had collapsed. In addition, as a result of production shifts to China and other Asian countries, new capacities for the production of these textile machines emerged. Because of the local advantages in terms of loan costs the component of the south German supplier, who excelled with high productivity as well as a high technical standard, were no longer in demand. These substantial market changes could not be absorbed by the midsized company.

Services provided by Advantum / paul und collegen for the insolvency administrator

- Supporting the two managing partners in managing the business
- Reorganising especially the production
- Developing a concept to divide the company into a general rolling bearings manufacturer as well as a supplier for special components for the textile machine industry
- Participating in negotiations concerning the balancing of interest, the social plan as well as transitioning the employees into a transfer company
- Formulating a business plan
- Executing an internationally laid out process of finding investors for the two new company divisions
- Sale of the company

Result

From the insolvency emerged two separated and lasting business units. The specialty supplier for rolling bearings was purchased by a globally oriented Swiss company, the supplier for components in the textile industry reorganised itself as part of a Management-Buy-Out. About 80% of the employees could keep their jobs.