

Kenton Fine

Background

Quite a story Hope Kenton will forgive me for embarrassing him!
Born & brought up in SA National Service
Jan 1989 Family firm - Scrap Metal Traders Part of 4th Generation with brothers
<3 months, left to start biz to exploit privatisation of waste mgmt services Durban City Council
<2 years silent partners x2 investment Family firm acquired stake
Breakthrough when fought off all competition to acquire major landfill site
Financing growth "interesting" PE interest but biz model didn't fit norm
Invoice discounting, asset based finance on even wheelie bin, notarial bonds & 15 yr mortgage on landfill site
Exit 2 competitors bidding 1 got greedy on JV financing and stake
While negotiating, other offered buyout Accepted
Eventual mkt consolidation when these competitors merged Kenton left aged 28!

Servest

Founded early 1997 in services sector Dennis Zietsman FD
Corporate Finance background
Similar type of biz = Rentokill
Model Acquire regional & Int'l co's needing additional expertise & finance
Floated JSE Aug 1998 Year after effectively retiring!
2000/1 Unsolicited hostile bid
Mgmt LBO
Delisted Sept 2002
Disposed of UK, US & Oz ventures
Sept 2006 Bought out PE firm
Mgmt control >50% equity
On acquisition trail again
June 2007 Kenton moves to UK to oversee re-entry into UK Dennis Zietsman running SA
Today T/o £80m Ebitda £24m 25k staff worldwide
Just issued 1st debt capital markets bond funding raising ~£65m
Some acquisition war chest!
More flexible than bank loan funding
Future 6-7 years £6-700m t/o & ebitda £80m

Q's

Financing of waste mgmt co. Why didn't co. fit PE model?
What is it & how did you use it? Notarial bond
Any tips you can pass on? What did you learn from this that you've carried forward?
Exit waste mgmt co. Tips? Learning? What was your experience of negotiation/bidding war like?
Many describe it as bereavement How did you feel when you walked away?
What challenges did you face when you founded it?
Servest What works & what doesn't? What is it like having joint MDs in SA & UK?
Most people understand concept of floating. What was it like to delist?
Interested in keys to your success. Can you share your personal drivers and values?
Would you do things differently now looking back?