



## HEALTHCARE

Deal flash, June 2018

# INNOVATIVE MEDICAL DEVICE COMPANY EXECUTES ITS PLAN TO BECOME A GLOBAL LEADER IN RESPIRATORY CARE

### Deal snapshot

- Acutronic Group, a group of non-affiliated companies active in neonatal ventilation and monitoring, has been acquired by Apax-backed Vyaire Medical Inc. (Vyaire), the leading pure play medical device company in respiratory care.
- Acutronic Group, consisting of Acutronic Medical Systems AG (Switzerland) and MIM Medizinische Instrumente & Monitoring GmbH (Germany), is a global leader in the area of neonatal ventilation equipment, offering innovative solutions for neonatal and pediatric intensive care units. The company's portfolio is made up of the fabian® ventilator platform, the monsoon® jet ventilator, the florian® monitoring system and complementary airway management devices, and software solutions. The group develops and manufactures in-house all performance-critical device components and the disposable flow sensor. In recent years, Acutronic has grown much faster than the market, taking significant market share away from large competitors in the global neonatal intensive care sector.
- Vyaire, headquartered in Chicago, serves healthcare customers with innovative device and service solutions. The company's brands have a 65-year track record pioneering, innovating and advancing respiratory diagnostics, ventilation and anesthesia delivery and patient monitoring.



### Transaction rationale

- Vyaire and Acutronic are a perfect synergetic match, bringing together the sales force, resources and organizational excellence of a true multinational as well as the innovative spirit, flexibility and product portfolio of a highly focused premium manufacturer, esteemed among key opinion leaders and practitioners.
- Post-transaction, Vyaire will benefit from an enhanced and partly renewed product portfolio as well as from tremendous cross-selling opportunities for complementary disposables.



## Our role in the transaction

Oaklins' healthcare team in Germany advised the private shareholders of Acutronic Medical Systems AG and MIM Medizinische Instrumente & Monitoring GmbH throughout the transaction.

## Market trends and deal drivers

- The neonatal infant care equipment market is projected to grow at a CAGR of more than 7% until 2024, far outperforming the relative growth of the much larger adult market.
- Innovation in both clinical performance and user experience has become increasingly important for European and North American companies in recent years, intensified by pricing pressure from Asian manufacturers.
- For innovation-driven companies with limited resources such as Acutronic, it is a challenge to keep up with the ever-increasing requirements in quality management and regulatory affairs.

## M&A valuation aspects

Financial figures have not been disclosed for this particular transaction but prime companies in the medical equipment sector are currently valued at above average EBITDA multiples of 15x or more.

## Oaklins industry specialists



✉ **Jan P. Hatje**, Managing Director, Oaklins, Germany

"We are delighted to have helped our clients find the ideal partner. Vyaire shares the same values and provided a clear roadmap for unlocking the tremendous potential of the Acutronic and MIM platforms on a global scale. The synergies are huge."



✉ **Christian Jellentrup**, Senior Associate, Oaklins, Germany

Christian leads Oaklins' healthcare team in Germany. He has accumulated broad transaction experience and key industry contacts in the sector, particularly in medical technology. A recent deal includes the sale of Vascotube, the leading global Nitinol tube manufacturer, to 3i-backed Cirtec Medical.



✉ **Adam Abramowitz**, Managing Director, Oaklins, USA

Adam has extensive experience in the healthcare industry and has advised several large transactions such as the sale of ventilation equipment manufacturer Newport Medical to Covidien and the sale of diagnostics testing services provider Ambry Genetics to Konica Minolta.

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