

Consumer & Retail PE

Industry Overview

*Private
Equity
Society*



Market Segmentation

Non-consumable Goods

Household Durables
Automotive & Mobility

23.3% 

Retail

Food & Staples Retailers
Speciality Retailers

 **4.7%**

US Consumer
& Retail PE
Deal Count
(H1 2024)

Consumable Goods



Textiles, Apparel & Luxury Goods
Food & Beverage

26.8% 








Consumer Services

Gaming, Lodging & Leisure
Education Services

 **45.1%**

  denote change in percentages from 2023

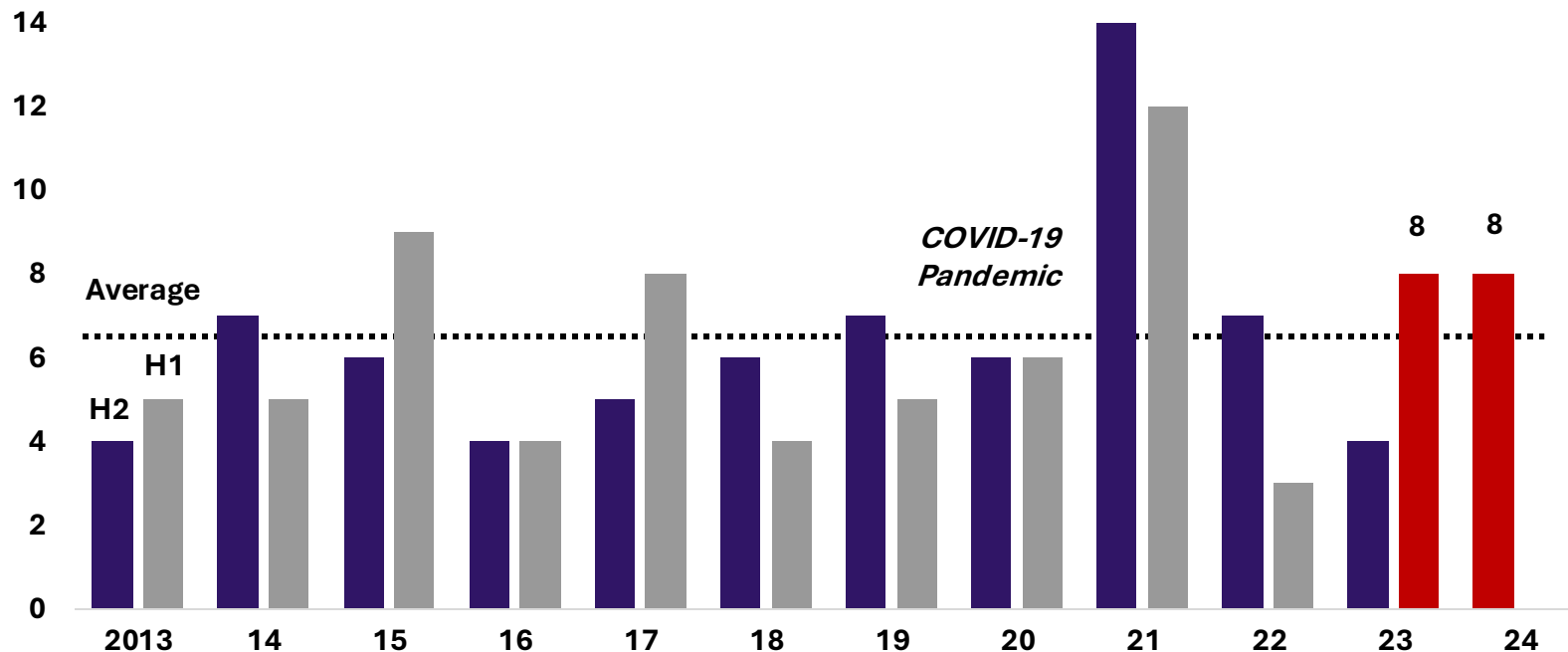
Notable Deals

<i><u>Acquirer</u></i>	<i><u>Target</u></i>	<i><u>Deal Value</u></i> <i><u>(Multiples, if available)</u></i>	<i><u>Date</u></i>
		\$2 billion (20x EBITDA)	10 June 2024
		£500 million (6.18x EV/EBITDA)	7 June 2024
		\$9.6 billion (12x EBITDA)	30 April 2024
		€330 million	18 March 2024
		£207 million (3x EV/EBITDA)	14 November 2023
		\$600 million	13 November 2023
		€5 billion	Talks ongoing
Various		\$47 billion	Talks ongoing
		€10-17 billion	Talks ongoing

Source: Financial Times

Growth Trends

US Consumer and Retail PE deals greater than \$1 billion have picked up over the past 12 months, as “megacap” funds aggressively pursue **scale deals**



Emerging themes within Consumer & Retail

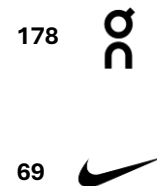
Omnichannel

A game of winners and losers

Footwear brand On's successful omnichannel strategy of investing in **interactive retail store experiences** contrasts Nike's failed omnichannel **direct-to-consumer (D2C) push**

1-Yr Relative Share Price

100



Rise of AI

Driving customer experience

AI's open-source nature will drive **broad-based growth** across the industry, specifically **enhancing customer experiences** in retail and online stores

Companies Leveraging AI

'Try On' function for different skin tones and body types

H&M

AI-driven shopping assistant

amazon

C2M

Reducing bloated inventories

Temu's consumer-to-manufacture (C2M) model signals real-time demand, **reducing overstock**, while **keeping abreast** of any up-and-coming consumer trends

Temu, PDD Average Price Comparison vs eBay, Amazon (€)



Specialist PE Firms



Flagship Buyout Platform

Investment Strategy

Management buyouts in middle-market growth companies across North America & Europe

Target Criteria

\$75-500mn target equity investment across sub-verticals such as apparel, health & wellness

33
AUM (\$bn)



L Catterton expanded Birkenstock's reach and brand appeal, leading an IPO valuing Birkenstock at **\$8.6bn**



Restaurant & Food Platform

Investment Strategy

Buyouts or take-privates in franchise business models using a 'value-added sponsor approach'

Target Criteria

\$50mn-1bn target equity investment with revenues in **\$20mn-5bn** range

37
AUM (\$bn)

Holdings



Beauty & Personal Care Platform

Investment Strategy

Majority or minority investments in disruptive business within beauty & personal care

Target Criteria

\$100mn-1bn target equity investment with revenues in **\$100mn-10bn** range

20
AUM (\$bn)

Holdings



Perricone MD

smashbox

SUMMER FRIDAYS