

# Huetz de Lempis is on the ball

Heavy-hitting **French services company Altrad** has played with flair as it has combined **a zeal for mergers and acquisitions** with a close association with **rugby**

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**S**UCCESS in business — as in sport — depends in large part on making the right calls at the right time. And having luck on your side.

When Louis Huetz de Lempis' boss sought his counsel on the wisdom or otherwise of buying an ailing rugby union club, the chief executive of French services player Altrad advised the company's founder not to touch it with a bargepole.

Authorities in Montpellier were casting around for a White Knight to rescue the southern French city's club Montpellier Hérault from going bankrupt, and it was not long before local self-made billionaire Mohamed Altrad got the call.

"At the time, in 2011, I was his investment banker and he asked me my opinion," Huetz de Lempis, who grew up in strong French rugby country between Toulouse and Bordeaux, says of the man who came to France as a child refugee from Syria before going on to work for Abu Dhabi National Oil Company for four years after gaining his PhD.

"I told him the truth, 'you should never do this investment. You will never make one penny with it.'" Altrad did the deal anyway.

Fast forward about seven years and Montpellier sit atop the French Top 14 — the country's premier division — and within a shot of winning the club's first league title.

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Luckily for industrial services company Altrad, the eponymous owner did not make a habit of ignoring Huetz de Lempis' counsel, initially as a financial advisor before coming on board as chief executive in 2013.

The pair first met when Huetz de Lempis worked at Italian bank Banca Leonardo, where he had moved at the turn of the last decade after a stint at Belgian bank Aforge Finance in Paris.

One of the Frenchman's first meetings with his new employer was with Altrad at a time when

the founder's main business line was scaffolding and wheelbarrows.

"He was already wealthy but not like now. The group was making €400 million (\$484 million today) turnover. Now it is €3.4 billion," he says.

After the meeting in Paris, Huetz de Lempis' then boss advised him not to take on the Altrad business as a client as it had, he reckoned, limited potential.

But the qualified civil engineer with one year's experience in the French Army and about a decade at former accountancy giant Arthur Andersen trusted his gut.

"You always need a bit of luck in life," Huetz de Lempis says as he looks back on the early days of doing merger and acquisition deals for his entrepreneurial new client, who swiftly drew up a list of company targets.

## Good fortune

First on the list was Xervon, a subsidiary of Thyssen Krupp. As luck would have it, Huetz de Lempis' business partner at the time was the best friend of the German engineering giant's chief executive.

"We went into the finals and lost against a German group," Huetz de Lempis recalls of Altrad's bid for Xervon in 2011, which nonetheless led to them picking up a subsidiary in Spain.

"At the end, Altrad told me, 'I want you to do my M&A for life'. Two years after, he asked me to become chief executive."

A series of smaller deals in Spain and the UK followed, but the expansion of Altrad's energy portfolio really started to take off in 2015 when it bought Dutch group Hertel — a company with almost 50% oil and gas industry exposure. The follow-

ing year it added Italian industrial services player Prezioso, which was mainly engaged in industrial paints for energy markets.

Then, in 2017 Altrad swooped for UK oilfield services company Cape in a \$430 million deal.

"Cape was number one among the Western companies doing this industrial maintenance job in the Arabian Gulf and Middle East generally. It had a strong position in Saudi — which is difficult to get from scratch — Qatar and UAE, and also a position in Oman, Kuwait and Bahrain," Huetz de Lempis says.

The Cape deal also brought expertise in the Australian and UK North Sea markets, with maintenance jobs in the latter for the likes of supermajor BP.

"The offshore platforms position was very interesting. We had a lot of North Sea operations on the Norwegian side with Statoil through Prezioso, but we missed the UK side

of it," he says. The upshot is that today around 50% of Altrad's revenues are in oil and gas — with around another 15% in other energy sectors, such as nuclear.

Altrad's emergence from being a smaller regional player to becoming a heavy-hitter on the international stage has been mirrored on the rugby pitch too, with the company now the principal sponsor of the French national team.

The company's attachment to rugby — and to the local club in particular — has served the two primary purposes of raising Altrad's profile and connecting what Huetz de Lempis calls the "community of Altradians", which is some 39,000-strong.

It has worked for Huetz de Lempis too — the man from the rugby heartland in the south of France is now a director at Montpellier Hérault.

Luck, or just the right calls at the right time — either way Huetz de Lempis is aiming to turn Altrad into a world-class player. □



Photo: ALTRAD

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Altrad chief executive