

Financial Mechanisms as a key factor in a successful workers buy out



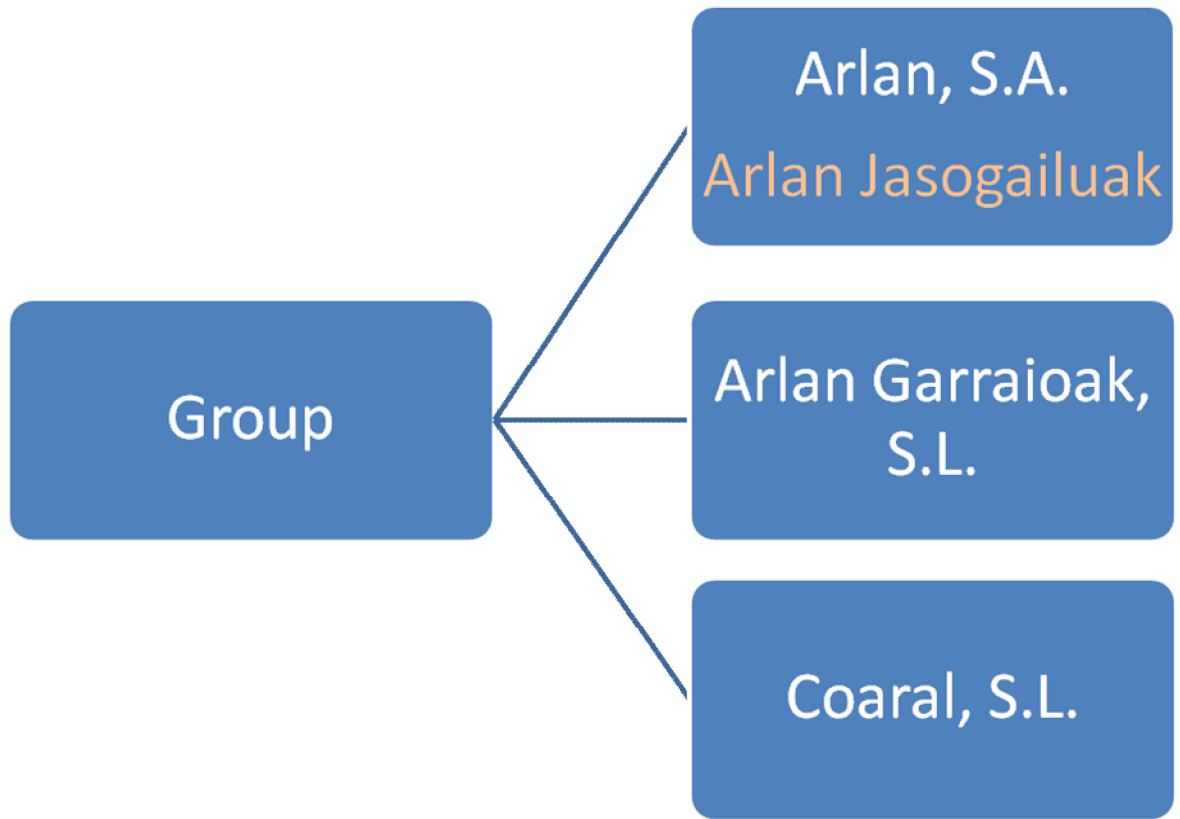
In Montepulciano, 11th of July 2019

Jone Nolte – ASLE

ARLAN, S.A.

- “ Date of establishment: 29th February, 1.980. Two partners 50% each.
- “ 1985: Dead of sale. One partner (100%).
- “ Staff: 150 - 30 people (2015).
- “ Location: Erandio (Bizkaia), Basque Country.
- “ Industrial Plant: 3.359.31 m².





Renting and Selling auxiliary elements for construction

Renting of elements for Events

Renting and Selling of elevation machinery

Road Transport

Machinery Wholesale trade



Main Figures

ACTIVO NO CORRIENTE (inmovilizado y existencias)

2011	2012	2013	2014
5.415.353,12	5.441.566,81	5.021.296,28	2.212.716,41

NON CURRENT ACTIVE (stocks, debtors and treasury)

2011	2012	2013	2014
3.786.596,22	2.879.152,42	2.244.092,08	3.808.342,09

OWN FUNDS

2011	2012	2013	2014
2.398.766,07	1.678.563,60	1.183.800,47	-555.965,38

Main Figures

PASSIVE					
2012		2013		2014	
Current	Non Current	Current	Non Current	Current	Non Current
3.750.167,16	2.878.244,58	3.529.654,17	2.542.375,96	2.471.518,59	4.095.947,53
6.628.411,74		6.072.030,13		4.095.947,53	

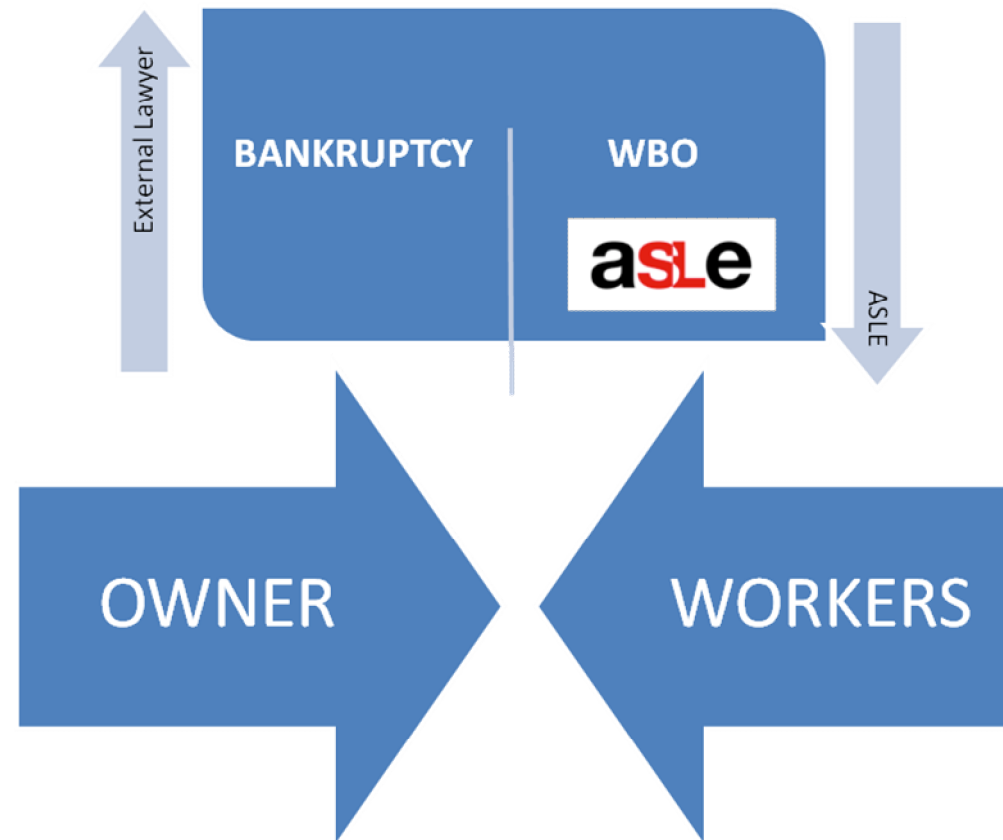
TURNOVER			
2011	2012	2013	2014
2.789.957,60	2.412.438,99	1.594.903,45	1.508.827,79

RESULT			
2011	2012	2013	2014
-999.801,46	-720.202,47	-494.763,13	-1.859.756,61

Why?

- ” Global Crisis. Decrease of Public Tenders.
- ” Construction Sector. Loss of half of the companies and employment in the sector.
- ” Decrease of Prices.
- ” Financial problems.

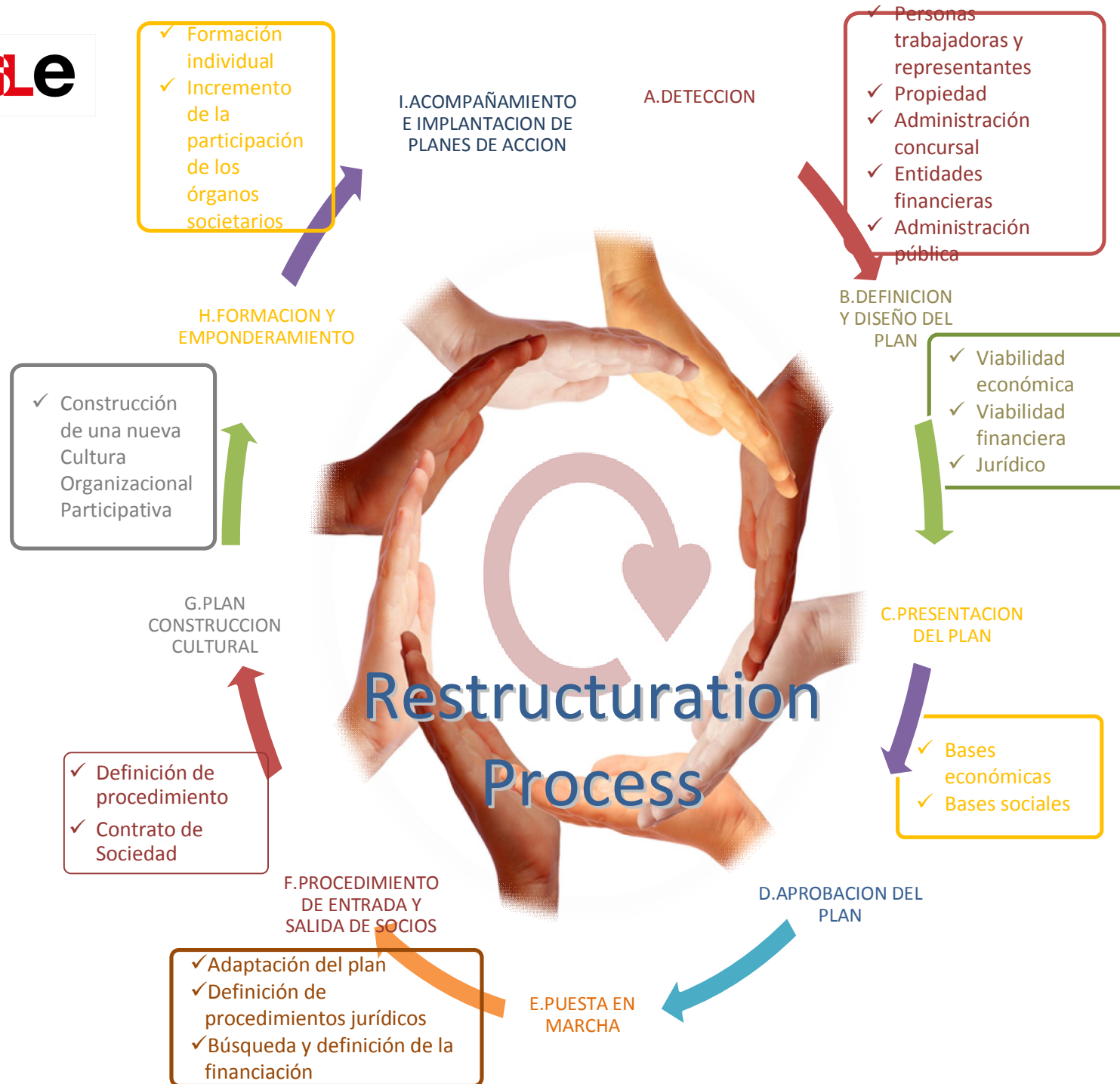
2015 Bankruptcy



Key Element: Dialogue with Insolvency Administrator

Who Finances the Restructuration Process?

- “ The Old Company: ARLAN S.A. – *Viability Plan*
- “ The New Company – *Restructuration Process*
 - . *Subsidy from Social Economy Department of the Basque Government*





Colectivo de ARLAN

METODOLOGÍA DE TRABAJO ELABORACIÓN PLAN DE FACTIBILIDAD EMPRESARIAL



CREACIÓN DE LA COMISIÓN DE TRABAJADORES/AS REPRESENTANTES DEL COLECTIVO (5 personas)

ASLE

EXPLICACIÓN A LA COMISIÓN DE LA METODOLOGÍA DE TRABAJO Y LA RELACIÓN DE DOCUMENTACIÓN NECESARIA



Comisión de trabajadores/as

DETERMINAR Y DERIVAR PREPARACIÓN DE LA INFORMACIÓN A LOS RESPONSABLES DE LA MISMA EN LA EMPRESA



Responsable de cada información

RECOPILAR / PREPARAR LA INFORMACIÓN



Representante de la Comisión.
Responsable de cada información

ENVIO A ASLE O RECOGIDA DE LA INFORMACIÓN Y EXPLICACIÓN DE LA MISMA A ASLE



ASLE

TRATAMIENTO Y ANÁLISIS DE LA INFORMACIÓN



ASLE y Responsable de cada información

En caso de dudas
ACLARACIÓN DE DUDAS



ASLE
Comisión de trabajadores/as

ELABORACIÓN DEL PRIMER BORRADOR DE PLAN DE FACTIBILIDAD Y EXPLICACIÓN A LA COMISIÓN DE TRABAJADORES/AS

ASLE

AJUSTES DEL BORRADOR DE PLAN Y PREPARACIÓN DEL BORRADOR DE INFORME Y PRESENTACIÓN

En cualquier Fase del Trabajo
REUNIÓN ASLE / COMISIÓN

ASLE
Colectivo de trabajadores/as

PRESENTACIÓN DEL PLAN AL COLECTIVO DE TRABAJADORES/AS

ARLAN S.A.

Renting and Selling
auxiliary elements for
construction

Renting of elements
for Events

Renting and Selling of
elevation machinery

Closure
Collective dismissal
(15)

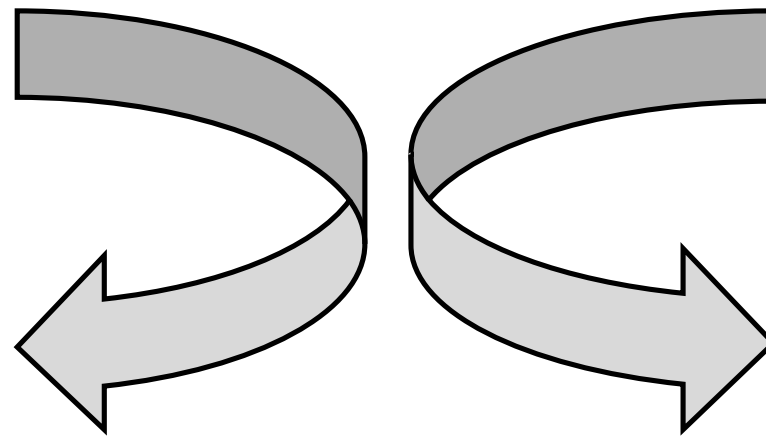
“The viability plan is based on two activities: Renting and Selling auxiliary elements for Construction and Renting of elements for Events

CUENTA DE RESULTADOS AGREGADA AÑO COMPLETO

	ACUM 1T	ACUM 2T	ACUM 3T	ACUM 4 T	ACUM.ANUAL
INGRESOS EVENTOS	36.063,71	131.961,61	466.200,26	149.054,63	783.280,21
INGRESOS 1º EQUIPOS	229.964,53	280.236,33	268.837,87	242.562,94	1.021.601,68
TOTAL INGRESOS	266.028,24	412.197,94	735.038,13	391.617,57	1.804.881,89
CONSUMOS DE PRODUCTOS Y SERVICIOS	30.237,55	53.429,71	122.974,46	12.608,04	219.249,75
SERVICIOS EXTERIORES	102.714,87	126.479,82	156.037,08	149.207,65	534.439,42
TRIBUTOS	0,00	9.341,77	0,00	8.255,72	17.597,49
GASTOS DE PERSONAL	177.912,32	198.651,56	250.508,25	232.409,63	859.481,76
GASTOS FINANCIEROS OPERATIVOS	5.320,56	8.243,96	14.700,76	7.832,35	36.097,64
DOTACIONES PARA AMORTIZACIONES	27.738,10	27.738,10	27.738,10	27.738,10	110.952,38
DOTACION PROVISION INSOLVENCIA	5.714,42	-2.639,40	0,00	3.013,92	6.088,93
TOTAL GASTOS	349.637,81	421.245,51	571.958,65	441.065,41	1.783.907,37
RESULTADO DE EXPLOTACION	-83.609,57	-9.047,56	163.079,49	-49.447,83	20.974,52
CASH FLOW	-55.871,47	18.690,53	190.817,58	-21.709,74	131.926,91

Basis for Viability

NEW COMPANY, S.L.L.



Economic Basis

Social Basis


Economic Basis

- “ **Business Turnover:** the activity must take into account the **cost of the investment in fixed assets and necessary rentals.**
- “ **Profit and Cash-flows: the goal:** balance between income and costs. Turnover: **1,8 millions/€ the sales.**
- “ **Financing of Current Assets: the goal:** self Financing for the working capital and for the purchase. More or less: **900.000 euros** payable during first 6-8 months after the constitution of the new company.
- “ **Location:** renting of the current industrial plant during the reestructurarian process. Afterwards, renting of another plant.
- “ **Transfer cost :** 100.000 €.

Economic Basis

Investements. Purchase of Productive Unit

- "Parque de eventos.
- "Parque de primeros equipos.
- "Vehículos.
- "Equipos y programas informáticos.
- "Repuestos, utillaje, herramientas.



**PRICE:
620.000 €**

New Productive assets:

Year	Price
2016	120.000 €
2017	120.000 €
2018	125.000 €

Social Basis

Staff: 19 people

Activity	Nº people
Events	10
Construction elements	9
TOTAL	19

Basis to become a partner (Individual Contribution) to the new company:

Concepto	Media por persona
Unemployment Sumlump	24.775 €
FOGASA	13.776,32 €
Indmnty not covererd by FOGASA	10.930 €
TOTAL each person	49.481,32 €

Financial Mechanisms

“ **Dismissal Indemnity:**

FOGASA: State Fund to cover indemnity in insolvency processes (Max. Ammount: 20.000€).

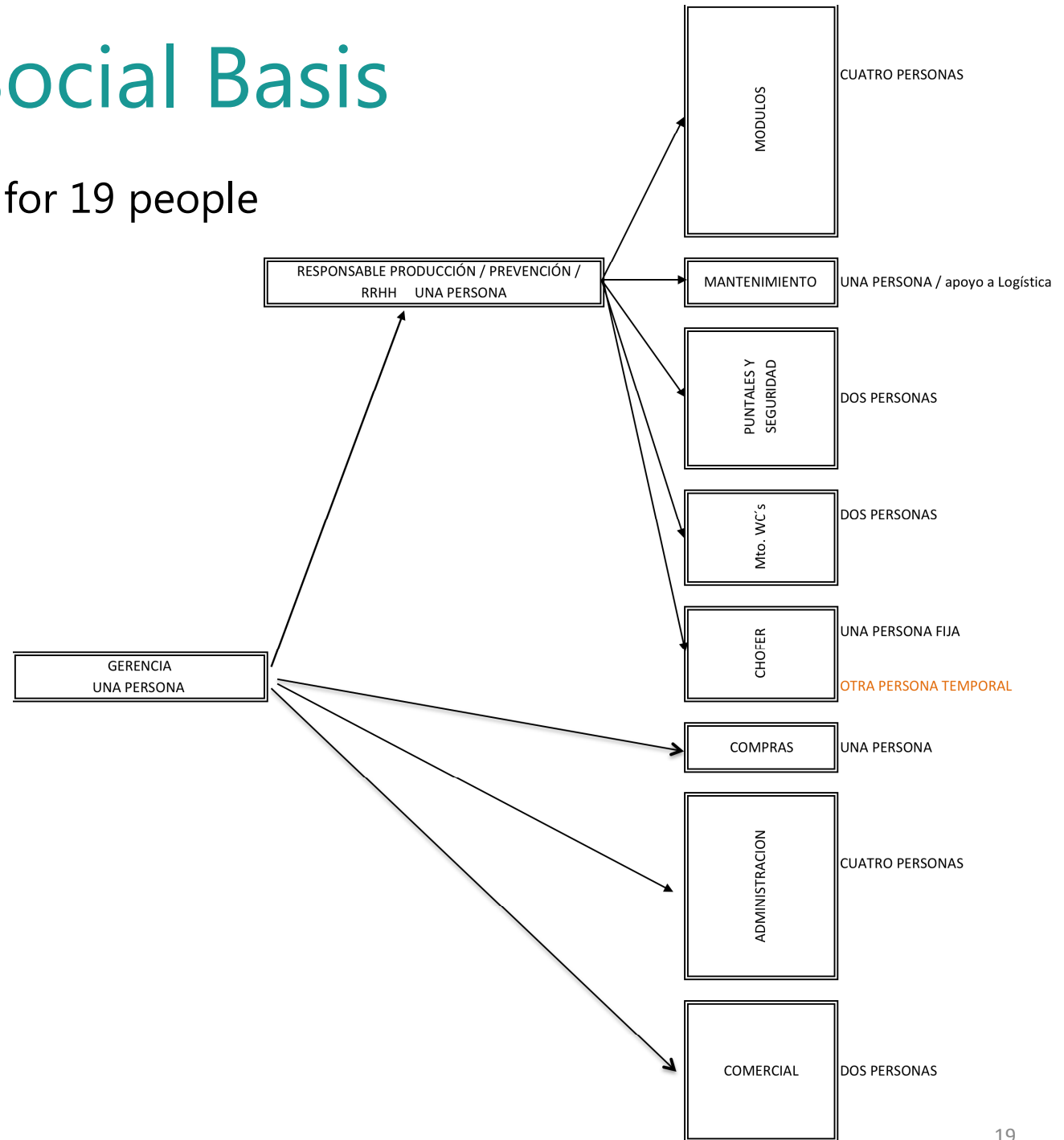
Rest of the Indemnity: Insolvency Process. Negotiation with insolvency Adminsitrator.

“ **Unemployment Sum Lump:** an anemployed has a right to receive unemployment benefits in a lump-sum payment to buy shares of a Sociedad Laboral.



Social Basis


Organization Chart for 19 people



Social Basis

Labor Conditions: to make the new company viable, decrease of 15% of the salary total cost with the following distribution:

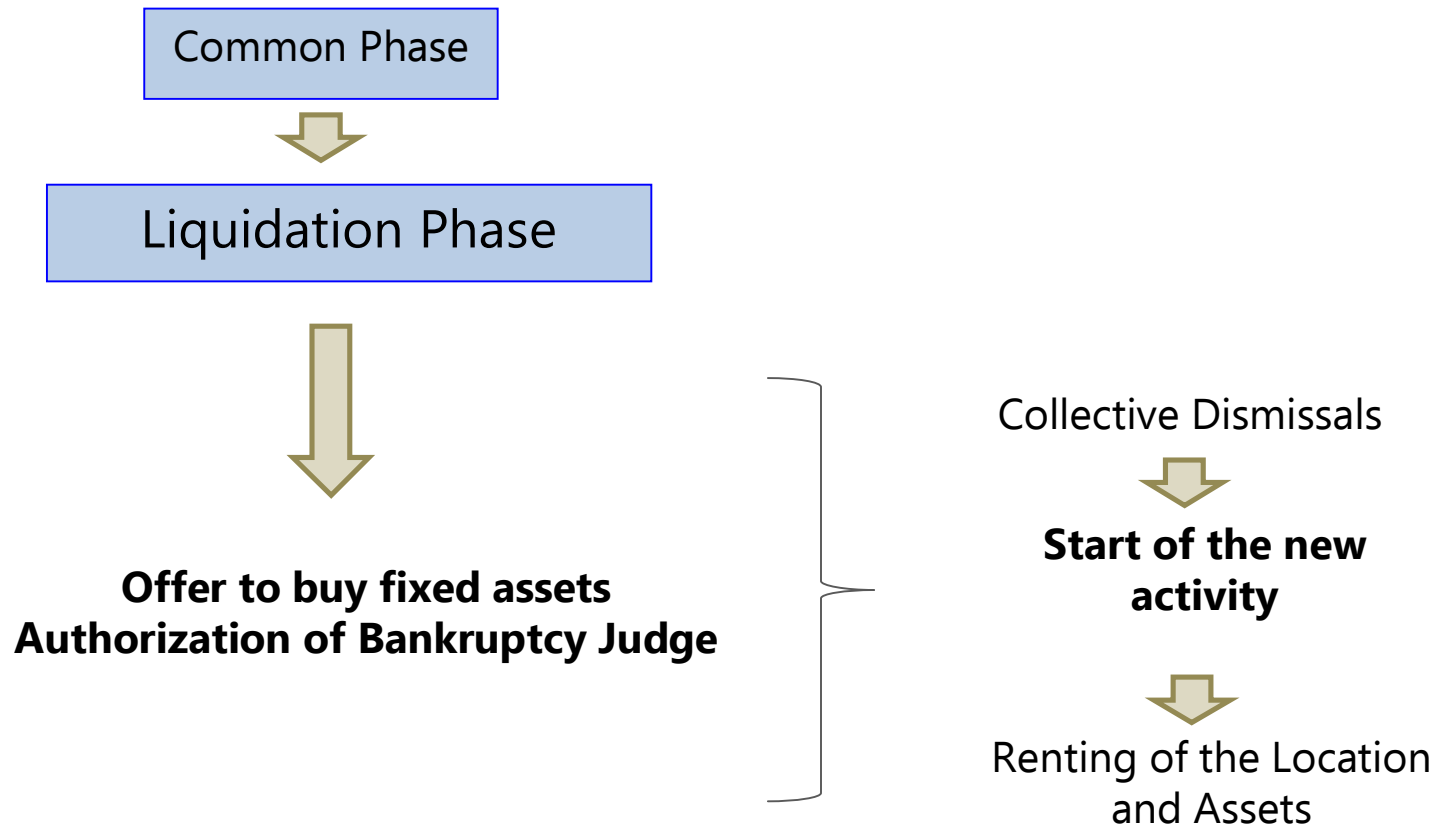
A esto añadir el plus de antigüedad



Categoría Profesional	Salario Anual	Nº personas
Oficial 3ª	19.000€	3
Oficial 2ª	21.000€	5
Oficial 1ª	23.000€	5
Comercial	23.000€ ó 25.000€	2
Encargados	30.000€	2
	32.000€	
Dirección	39.000€	2
	43.000€	

En estudio si incluir 2.000€ en salario anual o en incentivos

Link between the Insolvency Process and New Company



New Company: INDARLAN Obras y Eventos S.L.L.



17 of April of 2015: 1 person

Progressive Collective Dismissals: 14 of June 2015

Register as Unemployed

Starting of Activity: 16 of June 2015

Purchasing Offer

” Prize: 620.000 €

” Payable:

- . -51.103,71€ in September 2015 (Unemployment)
- . -51.103,71€ in October 2015 (Unemployment)
- . -51.103,71€ in November 2015 (Unemployment)
- . -236.309,33 € in December 2015 (FOGASA)
- . 230.379,55€ Compensation. Not covered indemnity.

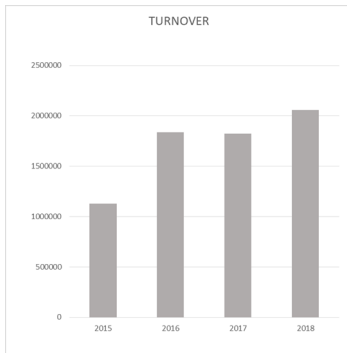
” Renting of the location and assets

(Judge Authorization: 18 of September 2015)

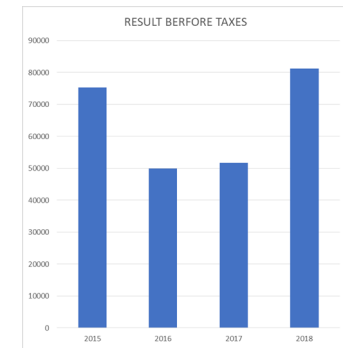


Main Figures

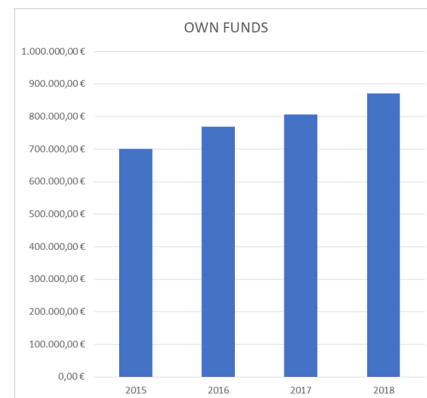
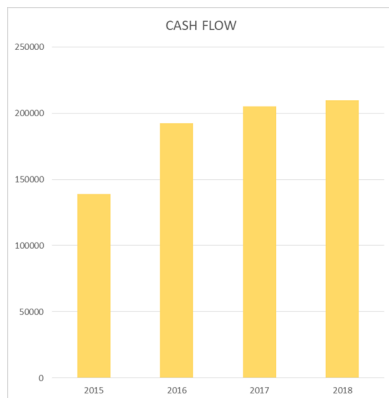
	2015	2016	2017	2018
TURNOVER	1.126.597,00 €	1.834.910,00 €	1.822.042,00 €	2.060.076,00 €



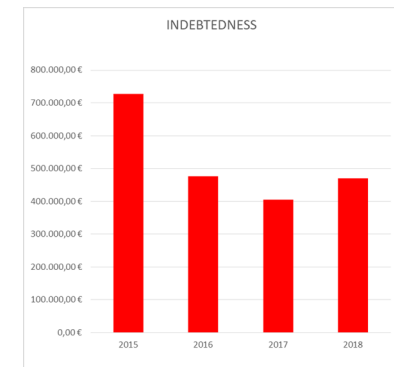
	2015	2016	2017	2018
RESULT BEFORE TAXES	75.322,00 €	49.872,22 €	51.683,00 €	81.143,00 €



	2015	2016	2017	2018
CASH FLOW	138.774,00 €	192.317,54 €	205.030,00 €	209.854,00 €



	2015	2016	2017	2018
STAFF	17	23	26	26



	2015	2016	2017	2018
OWN FUNDS	700.647,00 €	768.820,00 €	805.541,00 €	871.180,00 €

	2015	2016	2017	2018
INEBTEDNESS	727.601,00 €	476.290,00 €	405.030,00 €	470.313,00 €

Consolidation Phase

- “ **Own Collective Bargaining.**
- “ **Internal Regulations for social bodies.**
- “ **Internal Agreement to guarantee the relief of all partners and make a sustainable project.**
- “ **New partners: Agreements with financial entities and unemployment sum-lump.**
- “ **Bet on Innovation.**

Some Key Elements/ Barriers/Risks

Key Elements	Barriers	Risks
<ul style="list-style-type: none"> -Internal Leadership -Specialized support -Viability Project -Financial Mechanisms -Dialogue with Insolvency Administrator -Progressive payment 	<ul style="list-style-type: none"> -Lack of entrepreneur spirit -Stop activity 	<p>Business Sucession (Social Security Debt and Salary and Indemnity debt)</p>

The future?

**A long Life
company
High quality
employment
Redistribution of
equity
Rooting of the
company**



Jone Nolte
ASLE
jnu@asle.es

Thank you.



In4BTE - Grant agreement no. VS/2019/0044. This project is funded by the European Union