

Haden Building Management acquires Covion, the Facilities Infrastructure Services Business, for £33 million



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Haden Building Management, the leading asset and facilities management business, with annual revenues in excess of £350 million announces today that it has acquired Covion Ltd, the integrated facilities infrastructure service business, from its management and venture capital investors for £33 million.

Haden Building Management is a leading asset and facilities management business positioned under the Balfour Beatty group, with annual revenues in excess of £350 million. Its customers under long-term framework contracts include the Royal Mail, BT and a number of public hospital and school schemes. Other customers include Merrill Lynch, the BBC, Tesco's, Sainsbury's, and the new Emirates Stadium in north London.

This acquisition follows on from Haden's success in 2006 when they won a number of major long term contracts. In September, it was selected by the Department of Work and Pensions to be their single service provider in delivering a comprehensive range of office support services, on a nationwide basis, under a seven-year contract worth approximately £320 million. Additionally in December, Haden were awarded a contract worth in excess of £150 million by the Metropolitan Police Authority (MPA) to provide facilities management services across the Authority's property portfolio in north London.

Covion were founded in 2000, by David Steventon and Frank Rodriguez, and is one of the UK's fastest growing companies, having grown profits at a compound rate of 112% over the last four years. Since incorporation Covion has established itself as a 'new generation' facilities management business, providing integrated facilities solutions to an impressive client base of corporate and manufacturing facilities throughout the UK.

Covion's service offering comprises technology services, including PABX and communications network maintenance, mobile phone management, system installation and business interests; property services, including surveying, space planning, lease and estate management; people services, including payroll, interim management, medical, sports and fire services, people sourcing and induction management; and facilities services including areas such as cleaning, security, catering, building and grounds maintenance. Covion combines these services in custom-built integrated packages for multi-national organisations and top-tier corporate businesses, such as BDO, Stoy Hayward, Logica CMG, Anglian Windows and Britvic.

David Steventon, Chairman of Covion Holdings Limited, said:

"Covion has been at the forefront of the facilities management market in its development of a truly integrated service approach. We are delighted to have found an ideal partner, both in terms of resource and cultural fit to work with us to expand the range and depth of services that we are able to provide to the market. We are





looking forward to working with Haden Building Management to continue the exciting growth of Covion.”

The acquisition comes as an important step for Haden’s facilities management strategy as it extends a portfolio of skills and increases a private sector presence. This expands on Haden’s core service offering especially within the growing soft services sector as well as performing within a niche market of flexibility. The overall strategy aims to develop Haden’s private specialist offerings through Energy, Efficiency, Procurement and Sustainability as well as complimenting Haden’s already established public sector markets.

Kevin Craven, Managing Director of Haden Building Management, said:

“This acquisition is a huge step in increasing our growth into the private sector facilities management market as well as supporting our existing public sector portfolio. The addition of Covion’s clients and people will provide Haden Building Management, already strengthening in the industry, with a significant enhanced service offering in the FM marketplace.”