



From left to right: Tom Vanham and Dominique Roux (LRM) and Hiro Sato, Peter Coenegrachts, Kunihiro Murata and Andy De Ceulaer (Chiyoda). — © Serge Minten

LRM injects 40 million into 'mature' companies: “Corona also hit established companies hard”

Genk -

Over the past two years, the Limburg investment company LRM has provided more than 40 million euros in extra resources to ten mature companies in Limburg. The LRM thus focuses on anchoring and strengthening local established companies.

Guido Cloostermans

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With the outbreak of the corona crisis in 2020, many established industrial and family businesses in our province also needed support. “In addition to the traditional focus on start-ups, scale-ups and growth companies, it was decided to also give the more mature industrial and family companies a boost”, says Dominique Roux, director of LRM Private. Roux made the switch from Deloitte for this. He can boast of extensive experience in guiding companies.

The LRM was therefore not ready for its test piece. During the financial crisis of 2008, the LRM also came to the aid of companies such as Punch Powertrain, VCST, Alro and the then Scana Noliko. “The corona crisis has hit a lot of established companies hard,” says Tom Vanham, general manager at the LRM. “We have given companies that are intrinsically healthy a lifeline.”

Over the past two years, the LRM has invested 40 million euros within this program in strengthening and anchoring ten companies such as Ellimetal, Fryns, A&M Invest and Punch Metals. The LRM thus not only provides input with one of the numerous financial instruments, the companies also enjoy extensive strategic and substantive support. Although originated during corona, the aim is to help healthy companies grow and innovate, even if they have not been affected by the crisis.



Chiyoda specializes in printing motifs for manufacturers of laminate floors, among others. — © Serge Minten

Chiyoda

One of the companies supported by the LRM is the Genk Chiyoda, the European branch of the Japanese Chiyoda Gravure Corporation. The company specializes in printing foil and paper for manufacturers of laminate floors, kitchens and furniture. It received 1.5 million euros from the LRM through a subordinated loan. Well-known customers include Quick-Step and Beaulieu, but Chiyoda's prints also end up on Ikea furniture via a supplier.

The fresh money is used for the renewal of the rotogravure line and the development of new products with high added value. “In the years before the corona pandemic, we were confronted with declining turnover in a highly saturated market,” said managing director Peter Coenegrachts. “That was the signal for us to focus on product innovation and new applications. With the LRM, we brought a strategic partner on board who supports us financially and substantively.”



The warehouse where print rolls are kept. — © Serge Minten

Innovate

Chiyoda was founded in Tokyo in 1948 by the grandfather of current CEO Hiro Sato. Starting as a printer of magazines, the company gradually specialized in decorative printing solutions. The company has four branches, one of which is outside Japan, and accounts for an annual turnover of 150 million euros. It has 600 employees, 180 of whom are based in Genk. Products depart from Genk to more than 25 countries around the world. “Our sector is in constant evolution,” says CEO Hiro Sato, on a visit to his Limburg office. “We are constantly trying to innovate so that we are always one step ahead of the competition.”

Like other companies, Chiyoda is also facing rising costs. “We still have a fixed-price energy contract until 2024, so that's not too bad,” says Coenegrachts. “But it is mainly the costs for paper and wages that play tricks on us. While we can still pass on the paper price, the wage costs are much less, which we compensate with high productivity and flexibility. Fortunately, our family shareholder thinks in the longer term.”