

In tough times check opportunities to diversify markets !

Situation

The Portuguese market leader in the metallurgy and metal mechanics industry requested Mercal to develop a strategic plan for the expansion of its industrial facilities. This company is present in more than seventeen countries and has been experiencing an increasing demand for its products. Consequently, in order to satisfy this demand and to increase its market share in the international market, there was an urgent need to intensify production in a sustainable way, anchored in a detail plan of actions and in a robust plan of financing (Project Finance).

Consulting Approach

Grounded in several meetings with members of the company's board of directors and other relevant staff, a financial and economic analysis of the project was made, in which different scenarios were considered according to industry dynamics, appearance of new business opportunities and different sources of financing. Prior to that analysis, a diagnosis of the corporate strategy needed to be completed in order to provide us with a clear framework that would serve as a basis to evaluate and define a course of action for the company consistent with its global strategy.

Since it was one of the largest projects in Portugal, a thorough financing scheme was developed, including an application for the EU funds program, due to the social and economic impact in the region and country.

Key factors for success

A tight collaboration with the company's board of directors and other staff was crucial for the success of this plan. There was a well-defined structure that provided us with the best insights into both the company and the industry. This was a major factor that contributed to a strong alignment between the plan's purposes and content and the company's objectives and goals, as well as for the reliability of the methodology used.



MERCAL - Consulting Group

Campo Grande, 35, 8° A

1700-087 Lisboa

Portugal

Phone (+351) 21 781 11 40

joao.ribeiro@mercal.pt

www.mercal.pt



European

Professional

Personal

Outcome

In this way, Mercal was able to develop a strategic plan for the project, establishing both the available and required financial sources. Moreover, Mercal was also entrusted with the elaboration of an application for EU funds and assisted in the negotiation of all the funding sources.

By executing this project, the referred company will be able to satisfy an increasing demand with a significant improvement in production efficiency. The desired time-to-market is now guaranteed, and its international presence is now boosted without constraints by its products' quality and by a coherent and integrated marketing strategy.

Always guided by its strong corporate principles, the company has extended its basis on which a sustainable future growth is grounded and strengthened the positioning and capacity to increase the market share.



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