

DATE

December 06, 2011

SECTORS

Consumer, Leisure & Retail

DEAL TYPE

M&A Advisory
Asia Access

DEAL LOCATIONS



DEAL TEAM



Richard Madden
CEO

DC Advisory advised Chorion Limited on the sale of Mr Men & Little Miss to Sanrio Co, Ltd.

chorion



Sanrio

Background:

- Chorion is an owner and developer of children's IP and family entertainment for the global marketplace. Chorion has performed well versus most of its peers in what is a very difficult core market
- The Company manages several well-invested properties in a children's IP market that has undergone significant structural change and become increasingly challenging for midmarket players since 3i's investment in 2007
- This has predominantly been driven by rising competition for premium broadcast slots and distribution channels, with a proliferation of channels increasing competition for children's attention, broadcasters owning more of their own IP, and with the majors, such as Disney, increasingly controlling the entire media supply chain
- Furthermore, greater emphasis on the importance of licensing and merchandising revenues and the need to create retail friendly characters suitable for toy manufacture, combined with the economic downturn, and increased competition at retail has exacerbated the difficulties facing midmarket players
- Chorion and its peers lack the scale and influence to be able to negotiate large amounts of prime shelf space at retail (as the majors can)
- All of these developments have resulted in a considerable rise in the level of investment required by IP owners and have made it much more difficult for Chorion to successfully monetise its IP

Process:

- DC Advisory acted as the sell-side financial adviser to Planet Acquisitions Holdings Ltd and its subsidiaries (Chorion or the Company) in relation to the sale of the Company and/or its properties (the Transactions), including the Crime Division (Crime), the Mr Men property (Mr Men) and potentially other IP properties (the IP properties)

Outcome:

- In December 2011, Sanrio, a Japanese company designing licencing and producing products for focussing on the Kawaii ('cute') segment of Japanese popular culture, acquired Chorion for an undisclosed fee