

Pragma Acquires Physical Asset Management Firm In The Netherlands

CMS Asset Management Becomes Part Of Pragma

Pragma, one of SA's leading physical asset management engineering firms, acquired Netherlands-based consultancy, CMS Asset Management, on 1 October 2019. CMS specialises in engineering advisory services related to maintenance and asset management.

Pragma CEO and founder Adriaan Scheeres says the acquisition is well aligned to the international expansion strategy developed during 2018. "We believe we have a lot to offer and can expand our international footprint. Due to the fact that we already have an office in the Netherlands, it was a natural step for us to acquire CMS to further expand our operations in the Benelux countries, as well as the rest of Europe. Europe is known for its first-class asset management capabilities, especially in the Netherlands, and we can now offer our expertise in these countries with an expanded network."

Ronnie Taljaard, Managing Director: International Services and Consulting at Pragma, adds: "Our international expansion strategy included plans for acquisitive growth in the Netherlands. CMS had already been identified as a potential partner a few years ago, and when they approached Pragma late last year, we realised it was the ideal opportunity to execute our strategy to expand our footprint. CMS had all of the business characteristics that we were looking for. It offers the right size, culture and entrepreneurial approach to complement our existing business in the Netherlands. We see the Netherlands as the ideal base to grow from."

Taljaard explains that Pragma established an office in the Netherlands at the beginning of 2017 when their operations manager, Henk Wynjeterp, moved there permanently. "We're mainly focussed on industrial clients and original equipment manufacturers in the food and beverage industry, whereas CMS has an established footprint of customers in the public, water and infrastructure industry."

CMS has years of experience in asset- and maintenance management of water distribution and water purification infrastructure, skills which are sorely lacking in South Africa. "We hope to share some of that knowledge in South Africa. On the other hand, we believe we can share some of our expertise with them. By joining forces, we'll be able to reach a larger customer base, which will lead to a broader footprint and improved operational efficiency for Pragma in Europe," Scheeres continues.

According to Taljaard, Pragma has been fairly successful in finding new customers in Europe over the past number of years. "We mainly followed a reactive approach to business development, leading to a number of large projects with implementation and support from South Africa. We're very excited and look forward to the expansion of our business in the Netherlands. It will enable us to follow a much more pro-active approach to business development and growth."

CMS MD and founder Luc de Laat will continue as Managing Director for the Netherlands operation, whilst Richard Gevers (also of CMS) will focus on consulting service delivery to clients. Henk Wynjeterp

will act as Operations Manager for Pragma Netherlands. He has been with Pragma for the past 15 years, of which he has been based in Utrecht permanently for the last three years.

Says Luc de Laat: "We're excited to become part of Pragma. As CMS we saw the challenges on the market for our clients, and with the knowledge and products of Pragma we can continue to fulfil our customers' needs in the future. From our perspective, both companies share the same values when it comes to customers and personnel, an important base to make it one company and to create new opportunities for our customers. We believe we can learn from each other and build a strong company."

Scheeres adds that the recent acquisition by the Reatile Group (a 100% black owned investment holding company), of a stake in Pragma, has accelerated Pragma's South African transformation agenda, and also enhanced their organisation's potential international growth. "It bodes well for our operation in the Netherlands as they work closely with Vopak. Our expansion in facilities management is progressing well, and next year we'll be launching our new On-Key Enterprise Asset Management Cloud Platform whereby clients register their asset/s and can manage it from anywhere in the world. We continuously strive to improve our service offering."

Scheeres ascribes their success to commitment to solid fundamentals, a strong management team and good execution of strategy. He concludes: "We spend a lot of time and money on our people in order to train them and keep them engaged. We've recently launched the accredited Pragma Maintenance Planner Qualification and will be working closely with CMS to see how we can improve the Pragma Academy and give it a worldwide footprint. Pragma is also geared towards IIOT (Industrial Internet of Things) and Maintenance 4.0 technology, which will have a huge impact on our industry. As our company's knowledge base and methods improve and expand, we want to operate in a first world environment. We want to continue to be relevant a changing world."