

News

ANZ divests alternative assets business

The sale of ANZ Bank's ANZ Infrastructure Services (ANZIS) business to a private consortium has been completed.

ANZ's divestment of the business reflects the focus on core retail and business banking areas that chief executive Mike Smith has pursued since his appointment in late 2007. Similarly, ANZ has pared back the operations of ANZ Private Equity.

The new ANZIS ownership consists managing director John Clarke (45 per cent), interests associated with Mike Fitzpatrick (45 per cent) and Les Fallick (10 per cent). Principle Advisory Services Principle Advisory Services

Mr Fitzpatrick is the founder of Hastings Funds Management which is now fully owned by Westpac. Mr Fallick is the founder of Principle Advisory Services, placement agent and advisor to institutional investors.

Mr Clarke previously held a 20 per cent in ANZIS with the remainder owned by ANZ.

ANZIS has developed a specialist advisory and investment business across all sectors of the energy, infrastructure and utilities markets. The business has more than \$1 billion in funds under management in funds such as the Energy Infrastructure Trust and the Diversified Infrastructure Trust.

The business is to be renamed Infrastructure Capital Group (ICG). Mr Fitzpatrick will be chairman with Mr Clarke remaining managing director.

Mr Clarke said the new name would help establish the business as an independent, specialist funds management company which would provide wholesale investors with team continuity, strong origination capabilities, detailed knowledge of portfolio assets and a strong investor-value focus.

"The new ownership also provides ICG with additional infrastructure market experience and credibility and strong financial commitment to the success of the funds," Mr Clarke said.

Mr Fitzpatrick said he had been impressed with the development of the ANZIS business, in particular in power generation and green energy.

Investment Activity**Venture firms commit to heart device capital raising**

GBS Venture Partners and CM Capital Investments have committed to take up a pro rata entitlement of a total of about \$4.2 million worth of shares under a three-for-five non renounceable rights shares issue by Sunshine Heart (ASX: SHC).

The venture capital companies are the largest shareholders in the medical device company.

Shares are to be issued at four cents in the offer which is underwritten to \$5.5 million by ABN AMRO Morgans.

The company is seeking to raise \$8.1 million to fund ongoing activities and particularly the US clinical trial of its C-Pulse heart assist device (APE&VCJ, Aug 09).

The company has already recently raised \$1.75 million with a shares placement at the same price to sophisticated and institutional investors in Australia.

Investment Activity**Challenge to investor's Kleenmaid revival plans**

GE Commercial Corporation Australia (GE) has assigned a charge over assets of collapsed whitegoods retailer Kleenmaid to a company believed to be associated with recently formed investment business Compass Capital Partners Pty Ltd.

Compass Capital Partners was established in Sydney in June and is believed to have plans to re-establish a retail business under the Kleenmaid name.

The Kleenmaid franchise network business collapsed in April owing creditors \$76 million. That business is now in the process being liquidated by Deloitte.

Joint liquidator, Brisbane-based Deloitte partner Richard Hughes confirmed on 1 September that a fixed and floating charge over Orchard KM Pty Limited had been assigned by GE to DGH Holdings Pty Ltd (DGH) on 7 August.

Mr Hughes maintained, however, that the Kleenmaid brand and other assets of the business had not changed ownership.

"A charge is a security over certain assets, in the same way that a house is often used as the security for a residential mortgage. A bank holding a mortgage does not own the subject property, and similarly, DGH's charges over Orchard do not equate to ownership of Orchard's assets which include the Kleenmaid brand," he said.

"The assets that are covered by the fixed and floating charge include the intellectual property of Kleenmaid Group such as the Kleenmaid brand name. I want to be absolutely clear on this – the assets remain the property of Orchard irrespective of who owns the charge."

Mr Hughes said GE had not requested the consent of the liquidators before assigning the charge but was not required to do so.

"In order to obtain ownership and/or control of these assets, DGH would need to appoint a controller or receiver or foreclose on Orchard," he said. "There are important legal steps that a person holding a charge is required to take to acquire or control charged property, and are legislated to protect the other secured and unsecured creditors. As far as we are aware, these steps have not been taken."