

SE agribusiness
HD **Black Toyota's \$35m price tag**
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AUSTRALIA'S oldest publicly listed automotive **group**, AP Eagers, has invested \$35 **million** in the **purchase** of the iconic family-owned regional Queensland motor vehicle business, the Craig Black **Group**.

The deal, which remains subject to due diligence and formal approval by all franchises, is expected to be completed in August/September.

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It involves the **acquisition** of Black Toyota's dealerships in Dalby, Roma, Warwick, Oakey, **Chinchilla**, Emerald, Longreach and Springsure; Hyundai dealerships in Warwick and Emerald; Volkswagen dealerships in Roma and Emerald; a Mitsubishi dealership in Emerald; Great Wall dealerships in Roma and Emerald; and the Western Fleet Services business.

It also includes the Budget Car and Truck Rental business in Toowoomba and a welding works in Dalby, where the **company** produces heavy-duty vehicle accessories such as utility tray backs and bullbars under the Boonarga brand.

The Craig Black **Group**, which was started by Craig and Anne Black with a single dealership in **Chinchilla** in 1983, has grown to become Australia's largest rural **commercial** dealer with more than 280 staff, an annual turnover of about \$245 **million**, and annual sales of 4100 new and used vehicles.

Mr Black said he would continue to be involved in the business in a consulting capacity, and would become a significant shareholder in AP Eagers.

His daughter and son-in-law Jane and Russell Edwards would also continue to play active roles in the business.

Mr Black said the only substantial change would be the appointment of a new dealer principal, Damien Purcell, who came from a rural background at Texas.

"Otherwise, it is business as usual for customers, staff and other stakeholders," he said.

Mr Black said he was pleased to have come up with a solution that guaranteed the future growth and development of the business, but at the same time maintained continuity.

"Like any big family business, how do you continue to grow and be viable when all the reliance is on one family?

"It is becoming more and more difficult for family businesses to run something of the size of what Black Toyota is these days with such a big geographical spread.

"The structure we have come up with - where I become a major shareholder in the AP Eagers **Group**, the **property** the **group** owns we continue to own, Damien is brought in as an **equity** holder and dealer principal, and the AP Eagers **Group** is there as a financial backer - is a good recipe for maintaining the continuity of a unique business in regional areas.

"With the pressures on business these day, having an industry leader like the AP Eagers **Group** willing to make a long-term investment in a rural business is very positive."

Mr Black said the rural segment of the market would remain the backbone of the business.

"Rural people have been big supporters of Black Toyota over the years, and likewise, Black Toyota has been a big supporter of rural areas through sponsorship of things like the Warwick **Gold** Cup campdrafting, Careflight, Angel Flight and a lot of local charities."

CO toyta : Toyota Motor Corp.

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