

- [European Industrial Relations Dictionary](#)
- [EurWORK publications](#)
- [Working life country profiles](#)
- [Case studies](#)
 - [Attractive workplace for all](#)
 - [Ageing workforce](#)
 - [Workers with care responsibilities](#)
- [Database of wages, working time and collective disputes](#)
 - [Dispute resolution](#)
- [News](#)
- [Events](#)

The tripartite EU agency providing knowledge to assist in the development of better social, employment and work-related policies

You are here

- [Home](#)
- [Observatories](#)
- [EMCC](#)
- [ERM](#)
- [Restructuring in SMEs](#)
- [Transamerico, Luxembourg](#)

Transamerico, Luxembourg

- Type of restructuring:
Internal restructuring
- Employees before restructuring:
10-49
- Employees after restructuring:
10-49
- Nace/Sector:
Transportation / storage
- Country:
Luxembourg
- Date:
21/05/2012

Abstract

When the Luxembourg firm Transamerico was split into two firms after the sudden death of its founder, all the decisions related to this had to be taken by his widow. However, she extensively involved the staff, who provided information, and actively participated by making calculations and providing analysis.

Organisational profile

Background information on the company

Transamerico is a company registered under Luxembourg law, active in the transport and logistics sector (truck transportation). Transamerico S.A. was created in 1992 by Américo De Sousa Fernandes and his wife, Danielle Weber. It started operations on the international freight market and from 1995 onwards it was also operating on the national Luxembourg market. Nowadays, the company also has a vehicle hire business, mostly trucks and containers.

In 2009, following the sudden tragic death of Mr De Sousa, the company's activities were split into two different companies:

- Transamerico Sàrl, in charge of international transport;
- Transamerico & Fils S.A., in charge of national transport.

The purpose of the split was to separate activities that suffered from international competition – mostly from central-eastern European countries following the 2004 enlargement of the EU – from those which were more profitable: the national activities. Transamerico Sàrl eventually went bankrupt (2010), so the focus of the family's activities became national – representing a major reduction in scale, given the small size of Luxembourg (2,600 sq km).

At present, 90% of the activities of Transamerico & Fils S.A. are located in Luxembourg, while the remaining 10% are in the '*Grande Région*': the area of Saarland, Lorraine, Luxembourg, Rhineland-Palatinate and Wallonia situated between the Rhine, the Moselle, the Saar and the Meuse rivers.

Transamerico & Fils S.A. currently (spring/summer 2012) employs 23 staff:

- One manager, who is also the sole owner following MrSouza's death, Ms Weber;
- Two administrative staff: Daniel Marques, TechnicalDirector, and Yves Lefebvre, Operation Director;
- One mechanic;
- 19 truck drivers.

Ms Weber's daughters provide support when needed. Transamerico & Fils S.A. qualifies as a company having to organise social elections, so the company currently has one workers' representative, Mr Lefebvre.

No one at Transamerico holds a university degree. Ms Weber learnt her function 'on-the-job', whereas Mr Marques and Lefebvre have a vocational diploma. Truck drivers generally do not hold any diploma or qualifications, apart from a licence to drive trucks.

Since 2005, the performance of the business has decreased. In the three years 2009 to 2011 the turnover of Transamerico & Fils S.A. was stable, oscillating between €2 million and €2.5 million. In 2011, it was € 2.3 million.

Mr Marques, the employee interviewed for the purpose of the present case study, holds a vocational diploma in accounting. He has also undergone a training programme diploma delivered by the Luxembourg Chamber of Commerce for people who want to start their own business. In addition, he has had separate short-term training in transports and logistics. He joined Transamerico in 2007. Before this, he worked as an accountancy clerk in a small tax company in the country. He is currently technical director of the firm. He thus not only deals with the company accounts but also works on diverse tasks, such as the day-to-day management of the firm, including financial analysis of the profitability of trucks and routes. He is not in charge of logistics, maintenance or contacts with clients, which fall under the responsibility of Mr Lefebvre.

The General Manager, Ms Weber, used to be only slightly involved in the company management, which was conducted by her husband, Mr De Souza. However, following Mr De Souza's death she took over the management of the firm. It took her some time to gather the information necessary to carry out her functions, but thanks to the support of her employees, she eventually gained a full picture of the company's functioning and took the decision to split the company in two (see above), including eventually to refocus activities on national markets.

Background to restructuring event

The event triggering the restructuring process was the sudden death of Mr De Souza, coupled with increasing competition from central-eastern European countries following the enlargement of the EU in 2004 and sharp increases in oil prices. Trucks that were sent abroad found it increasingly difficult to find a client or a consignment for the homeward trip.

The European road freight transport industry used to be dominated by the major economies. However, new Member States experienced substantial increases in their shares of the transport market following accession, with Poland, the Czech Republic, Slovakia and Lithuania serving 40% of the European market following their accession in 2008. With its small size and location at the heart of Western Europe, Luxembourg has particularly suffered from new Member States' expansion into the market.

The death of Mr De Souza forced Ms Weber to take a deep look into the company's accounts, with the support of her office staff. The team eventually realised that international activities were getting increasingly worse and were threatening the viability of the whole company, whereas national activities were still profitable.

Restructuring processes

In order to protect the viable national activities, it was thus decided to split the company's activities into two separate companies/activities, with Transamerico Sàrl in charge of international activities and Transamerico & Fils S.A. in charge of local and national activities. The split was done with limited external support: advice from the accountant/auditor of the company and preparation of the legal documents by the law firm of the company. Employees working at the head office of the companies were of course informed of the split during the restructuring process due to their (physical) proximity to Ms Weber. Truck drivers were informed afterwards.

The split turned out to be a positive way of managing things, as Transamerico Sàrl eventually went bankrupt in 2010. Since then, Transamerico & Fils S.A. is doing relatively well (constant annual turnover of €2 million to €2.5 million), but Ms Weber acknowledges that times are hard and that prospects are not particularly good.

Overall, the restructuring process lasted approximately two years. The restructuring was unplanned and did not follow a formal implementation plan. Ms Weber took the final decisions but closely involved her office employees in the process – they actively participated in calculations, analysis of the situation and similar tasks. She sometimes also consulted the truck drivers as well as the mechanic. The employees' representative, Mr Lefebvre, was consulted just like any other employee. It appears from this that the workforce was kept aware of the restructuring at all stages.

The interviewer got the impression that Transamerico's staff have formed close bonds, like being part of a family. As Mr De Souza's death was sudden and shocking, employees closed ranks in support of Ms Weber and her three children. Everyone was very supportive of her and she in turn acted generously.

Challenges and constraints of restructuring

Ms Weber does not report any specific difficulty, apart from the fact that, for the first six months that followed Mr De Souza's death, adjustments in daily management of the company were needed (there was difficulty in finding certain information, for example, and time then was on making up for missing information) as no one in the company had the overview Mr De Souza had had over his business.

Restructuring advice and support

The restructuring was not subject to specific financial support, internal or external. As far as non-financial support is concerned, Ms Weber benefited mostly from advice from auditors and accountants. These were the regular advisers of the company and Ms Weber did not look for additional external expertise in addition to that already available.

The restructuring was not funded by external resources and in fact the interviewer formed the impression that Transamerico's management was not aware of any possibility of obtaining external funds.

Outcomes of restructuring

It is not possible to say that the restructuring went according to the initial plan as there was no real plan. The overall outcome of it is mixed. It is positive in that the split of the company in two allowed the viable national activities to be safeguarded. At the same time it is negative as the loss of international activities led to a major decrease in staff numbers, sales and turnover. However, this last element is not really an outcome of the restructuring as it would have happened anyway, that is, without the restructuring event properly speaking.

As far as staff cuts are concerned, it may be said that major job losses were avoided thanks to the restructuring as mostly voluntary departures and early retirements were necessary, according to Ms Weber. Only a few dismissals were necessary.

Job retention was a major goal of Ms Weber, who has always felt close to her workforce in the SME environment. Over the 2008–2010 period, one mechanic and 16 truck-drivers left the firm progressively on a voluntary basis. Ms Weber did not reduce salaries so the remaining employees the same income as before restructuring. No special action was taken to support the employees who left the company.

Overall, one may say that the general reaction of employees towards restructuring was good. As mentioned above, Transamerico has a kind of 'family' atmosphere and everyone has been supportive of Ms Weber and her children, who really had to go overcome a family tragedy.

Mr Marques explains that the first six months that followed Mr De Souza's death were difficult, as no one in the company had the knowledge that Mr De Souza had of his business. After a period of adjustment, things started to stabilise and work got reorganised. Mr Marques says that the restructuring did not negatively affect the productivity of workers. On the contrary, employees were really motivated to support the family and Ms Weber.

Personally, Mr Marques benefited from the restructuring as he developed and acquired new skills and new functions, due to a diversification of tasks which would have not occurred without the restructuring event. This increased his self-confidence. He moreover benefited from the experience of the expert auditors and accountants who advised the company during restructuring. Mr Marques believes that all employees were treated fairly during the process.

Commentary

Ms Weber has no particular lessons to draw from the restructuring. She felt she did what she thought was appropriate to do, with the support of her close employees. This was confirmed by Mr Marques.

Author

Cécile Musialski, Philippe & Partners

Information sources

The present report is based on interviews with Ms Weber and Mr Marques, as well as on a press article on the circumstances of Mr De Souza's death.

- [European Monitoring Centre on Change - EMCC](#)
 - [About EMCC](#)
 - [European Restructuring Monitor](#)
 - [About the European Restructuring Monitor](#)
 - [Restructuring events database](#)
 - [Restructuring support instruments](#)
 - [Restructuring related legislation](#)
 - [Restructuring case studies](#)
 - [ERM publications](#)
 - [European Jobs Monitor](#)
 - [Labour market research](#)
 - [Case studies](#)
 - [Future of Manufacturing in Europe \(FOME\)](#)
- [European Observatory on Quality of Life - EurLIFE](#)
- [European Observatory of Working Life - EurWORK](#)

Quick links

- [Legal information](#)
- [Data protection](#)
- [Environmental policy](#)
- [Cookies](#)
- [Subscriptions](#)
- [Multilingualism](#)
- [Templates for Eurofound reports](#)
- [Eurofound style guide](#)
- [Management Board extranet](#)
- [Map - how to get to Eurofound](#)
- [FAQ](#)
- [Sitemap](#)

Social media

- [Find us on Facebook](#)
- [Follow us on Twitter](#)
- [Follow us on LinkedIn](#)
- [Subscribe to our YouTube Channel](#)
- [Subscribe to our RSS feeds](#)

Contact us

Eurofound, Wyattville Road, Loughlinstown, Co. Dublin, D18 KP65, Ireland

Phone: (00) 353 1 2043100

E-Mail: information@eurofound.europa.eu

Press: media@eurofound.europa.eu



[MEMBER OF THE NETWORK OF EU AGENCIES](#)



[EUROFOUND ACHIEVES EMAS REGISTRATION](#)



Eurofound is an agency of the European Union

- [Access to internal documents](#)
- [Financial information](#)
- [Archives](#)
- [Information centre](#)
- [RSS feeds](#)

© Eurofound 2023

[Top](#)