
Cirque du Soleil Being Sold to TPG-Led Private Equity Group

20/04/2015



TPG has agreed to buy a majority stake, while Fosun of China and the Caisse de dépôt et placement du Québec, the provincial pension and investment fund, will take minority positions. The Cirque founder Guy Laliberté will retain a small holding.

The transaction is valued at about 1.5 billion Canadian dollars (\$1.23 billion), according to a person with knowledge of the transaction. The Globe and Mail newspaper of Toronto earlier reported the value.

"We are excited about the opportunity to bring our global platform of resources and know-how to propel the growth of Cirque's unique brand, content and capabilities around the world," David Trujillo, a partner at TPG, said in a statement.

The sale will be politically sensitive in Quebec, where Cirque is headquartered and where it is a major employer. In 2012, the province effectively blocked a deal for Lowe's to buy a Quebec-based home repair company.

By including a Canadian pension fund in the deal, an arrangement that was reached only over the weekend, the buyers could help mitigate such concerns. The deal announcement also tried to emphasize commitment to the heritage, citing "the vibrant Montreal creative community." The deal will also include guarantees that the business headquarters and "center for creative and artistic services" remain in Montreal.

The Cirque began three decades ago as an alternative form of circus that eschewed performing animals. Instead, it merged elements of dance, performance art and high-technology stage craft with traditional circus acrobatics. It currently has 17 elaborate productions playing in North and South America as well as Europe. And in recent years it has become as closely associated with Las Vegas as Dean Martin and Sammy Davis Jr. once were.

Little is known about the finances of the Cirque, which is privately held. But it appears that it has faced some financial hurdles. In 2013, it laid off 400 employees, and some of its costly new productions have not been successful. Mr. Laliberté, who started as a fire breather, hired Goldman Sachs to shop Cirque late last year.



Guy Laliberté, a co-founder and the owner of Cirque du Soleil, with Charli Jones, a circus trope performer, in Montreal in 2011. Credit Ryan Hughes for The New York Times