

Cognition Holdings acquires 100% ownership of BMi Research

BMi Research, a leading South African research house specialising in consumer and industrial research, has been acquired by Cognition Holdings Limited.

This follows the successful conclusion of an agreement for the acquisition by Cognition from the three minority shareholders of the remaining 60.30% of the shares in BMi Research not yet owned by the company.

Cognition previously held 39.70% of the issued shares in BMi. These shares were acquired in two separate transactions concluded in July 2014, when 35% of the issued shares in BMi were acquired, and in August 2015, when Cognition acquired an additional 4.70% of the issued shares in BMi from an exiting minority shareholder.

The acquisition of the remaining majority shares is effective 1 July 2015, subject to the fulfilment of conditions precedent.

As a research house operating in various industry sectors, BMi Research has experience across a wide range of methodologies and markets, and provides research insights into, among others, the local apparel, automotive, consumer packaged goods (CPG), financial, food services, information technology and communication (ITC), manufacturing, packaging, raw materials, retail and wholesale industries.

Gareth Pearson, CEO of BMi Research, says the acquisition is positive for both parties as it aligns with the two companies' visions and their growth strategies. "BMi Research, for example, is looking to grow its advanced analytics and facilitate data usage optimisation for its clients in line with current market trends. This is directly aligned with Knowledge 350°'s offering. There are also favourable opportunities to take the BMi Research brand into Africa with our current clients, and our position within the Cognition group will now help facilitate that," says Pearson.

Mark Smith, CEO of Cognition Holdings Limited, says the company's initial 35% equity acquisition in BMi Research formed part of its strategy to enhance the intellectual capital associated with the group's move into the knowledge economy and the deployment of Knowledge 350°, its specialised one-to-one marketing consulting service.

"We have been extremely happy with our relationship with BMi Research, and felt the timing was right to consolidate BMi Research into the group and leverage our collective skills towards our efforts in the knowledge economy. We are very excited about our association and our collective journey," explains Smith.

The acquisition of the remaining BMi Research shares will further complement and enhance the strategic objectives that Cognition has embarked on. It's anticipated BMi Research will contribute tremendous value to the company's Knowledge 350° consultancy by assisting clients in better understanding customer needs, perceptions and realities. As a result, the Cognition group will now look at offering its clients services and skills around shopper insights, category quantification, instore observations and mystery shopping.

Knowledge 350°, which incorporates both organisations' and individuals' methodologies of collecting, storing and using information, comprises an important strategic direction for the company, particularly in light of the Protection of Personal Information Act, 2013 (Act 4 of 2013). This strategy is being driven using a 15-step roadmap incorporating strategic consulting and the implementation of technical solutions to execute the chosen business process outcomes. BMi Research will leverage an important element of Knowledge 350° that assists companies in self-creating intangible assets through its roadmap of tracking data through to knowledge.

The acquisition opens up the individual product and service offerings of Cognition and BMi Research to clients across both companies. Aside from this positive development, the acquisition will in no way impact clients, suppliers, staff or operations of the two businesses.