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# Growing Faurecia's stock to trade in U.S.

By [Dustin Walsh](#)

French supplier **Faurecia SA** announced last week it would sell stock on the U.S. over-the-counter market as it continues meteoric growth in the North American auto market.

Faurecia, which operates as **Faurecia North America Inc.** in Auburn Hills, appointed **Citibank** as the depository bank for its American Depository Receipt program -- which allows foreign entities to sell stock on a U.S. exchange.

The ADR stock will be sold under the ticker FURCY for the same market price as Faurecia's stock is sold on the NYSE Euronext Paris exchange. It was trading at \$15.67 Thursday afternoon.

However, the ADR stock will be worth one-half of a regular share, said Eric-Alain Michelis, vice president of investor relations, Faurecia, in an email.

"The ADR is the fastest and easiest way to get our stock in the U.S.; it's about creating opportunity and helps us raise capital," said Faurecia North America CEO Mike Heneka. "Companies we compete with (**Johnson Controls Inc.**, **Magna International Inc.**, etc.) are on the exchange here, so we thought we should compete with them here in the U.S."



Heneka

Stephen Biggar, global director of equity research for New York-based **Standard & Poor's Capital IQ**, said an ADR represents a business going after a more robust investment market to open up more capital.

"You want to list where capital is plentiful," he said. "If a company is expanding in a region, there can be interest in whatever segment or sub-industry of the economy, and they can look to tap into that investor interest."

Faurecia has shown growth in North America over the past few years. The supplier of seating, emissions controls, interior systems and exteriors is projecting \$7 billion in revenue by 2016. That's more than 45 percent growth from revenue of \$4.8 billion in 2011 and up 349 percent since 2009, when it generated \$1.56 billion in revenue.

Faurecia CEO Yann Delabriere told investors in London last month that the supplier plans to add five more plants by 2016 -- three in the U.S. to support **General Motors Co.** and **Ford Motor Co.**, and two in Mexico to support **Nissan Motor Co.** and GM.

Heneka attributes Faurecia's North American growth to automaker demand for more sophisticated products, typically found on European models by **Mercedes-Benz**, **BMW** and **Audi**.

"We've always had expertise in the high-end cars in Germany," Heneka said. "Now we're doing the same thing here in North America, bringing that expertise to this market."

North America now accounts for 25 percent of Faurecia's sales. Heneka predicts the North American market will eventually

make up one-third of the French supplier's business.

Part of that growth comes from Faurecia's \$1.1 billion book of business acquisition from Ford's **Automotive Components Holdings LLC** plant in Saline.

Faurecia leased a portion of the 1.6 million-square-foot former **Visteon Corp.** plant. The factory will supply cockpits, instrument and door panels and center consoles to 12 Ford programs, including the F-150 pickup, Expedition, Explorer, Focus, Mustang, Taurus and Lincoln Navigator and MKS.

The deal also resulted in a joint venture -- **Detroit Manufacturing Systems LLC** -- between Faurecia and the Wayne-based **Rush Group**, owned by Andra Rush.

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