

Dynamic Note #11: November 2023

Analysis of multinational expansion

The objective of the **dynamic notes of Alicante: Invest in Alicante** is to evaluate and publicize, in a thematic way, the elements available and the **features that define Alicante** and that may be of interest for the location and investment of **companies, entrepreneurs and highly skilled professionals**.

This information note provides a structural analysis of the business fabric of the main multinational companies and industrial groups in the province of Alicante and Spain, their sectors of activity and specialization, and their geographical location. To locate them on the map, we will use the main stock market index of the country, the IBEX 35, and the turnover data of the main companies in the country. The major groups in our country specialize in the banking sector, tourism, oil, energy, construction, food and telecommunications. As for their location, the vast majority are located in the capital of Spain, Madrid, while the rest are scattered in a very residual way in other provinces with great economic relevance such as A Coruña, Alicante, Barcelona, Bilbao or Valencia, among others.

With respect to Alicante's business fabric and the characteristics of the subsidiaries of foreign companies located in our country, SMEs stand out, where Alicante is comparatively at a disadvantage compared to the national level, since it has a smaller presence of large or very large companies. This data is in line with those obtained in the previous dynamic notes for the smaller size of Alicante companies compared to the national level, although it is true that in recent years there has been an increase in the average size of Alicante companies.

Both for regional data and for foreign affiliates, the Services sector stands out, followed by Commerce and Industry. Services, in general, also has the highest number of large companies both in the Valencian Community (the data is only available at the Autonomous Community level with this type of breakdown) and in foreign companies. This trend is repeated in international subsidiaries regardless of the country of origin of their parent company, with the exception of the Asian area where Commerce predominates.

This note will be complemented with the dynamic Note 12 on the monitoring of companies established in the province and with the bimonthly report 6 on the global expansion and situation of Alicante.

Structure of the multinational ecosystem in Spain

The **composition of the ecosystem** of leading Spanish companies and multinationals is very **heterogeneous**. Within the IBEX 35, we locate companies specialized in the following sectors: **Construction** (4 companies dedicated); to **Renewable energies** (2); **Ore, metals and transformation** (2); **Transport and distribution** (3); **Electronics and software** (2); **Banks and savings banks** (6); **Telecommunications and others** (2); **Electricity and gas** (5); **Engineering and others** (1); **Pharmaceuticals and biotechnology** (2); **Textile, clothing and footwear** (1); **Insurance** (1); **Leisure, tourism and hospitality** (1); **SOCIMI** (1) and **Petroleum** (1).

By location, **the vast majority are located in the capital Madrid**: Acciona; Acciona Energía; Acerinox; ACS; Aena; Amadeus IT Group; Bankinter; Cellnex Telecom; Enagás; Endesa; Ferrovial; IAG; Indra Sistemas; Inmobiliaria Colonial; Mapfre; Merlin Properties, Naturgy; Red Eléctrica Corporación; Repsol; Laboratorios Rovi; Logista; Sacyr; Solaria Energía y Medio Ambiente; Telefónica. Only **two provinces have more than one company** in the IBEX 35 outside the Spanish capital: **Barcelona** (Fluidra, Grifols) and **Bilbao** (BBVA and Iberdrola). The rest have **one**: **Alicante** - Banco Sabadell; **Santander** - Banco Santander; **Valencia** - Caixabank; **A Coruña** - Inditex; **Palma de Mallorca** - Meliá Hotels International; **Luxembourg** - ArcelorMittal; and **Málaga** - Unicaja Banco.

However, in Spain **there are also important groups of companies**, several of them multinationals, such as Grupo el Corte Inglés or Mercadona, **which are not in the IBEX 35**, as well as **subsidiaries of large foreign multinationals** that have a large presence in our country, such as the main automobile brands. We can find them in the top 15¹ of the companies with the highest turnover in Spain: 1st Mercadona; 2nd Repsol Petróleo; 3rd Compañía Española de Petróleos; 4th Cepsa; 5th Repsol Comercial; 6th Endesa; 7th Inditex; 8th El Corte Inglés; 9th Sociedad Estatal de Loterías y Apuestas del Estado; 10th Seat; 11th Iberdrola; 12th Carrefour; 13th Gas Natural; 14th Telefónica; 15th Iberdrola Clientes.

By sector, **Oil** (4), **Commerce** (3), **Telecommunications** (1), **Textile and Fashion** (1), **Automotive** (1) and **Gaming** (1) stand out. The next multinationals to appear in the following positions of the ranking are practically all from the **automotive sector, supermarket lines, energy and telecommunications** (Renault, Peugeot, Repsol Trading, Mercedes-Benz, LIDL, Opel, Orange, BP Energía, DÍA...).

Like the IBEX 35 companies, **most of the companies with the highest turnover in Spain are also located in Madrid** (11), with the rest in Valencia (1), Barcelona (1), Vizcaya (1) and A Coruña (1).

¹ Following the data available in the elEconomista turnover ranking, where for some of the IBEX 35 companies this type of information is not available.

Characteristics of the business structure in Alicante

Throughout the period of recovery from the pandemic crisis, the business fabric of Alicante has shown a positive trend, increasing the number of companies at a growth rate of 2% for the year 2022 as a whole. Alicante is one of the main provinces in terms of company creation, both in terms of gross number and year-on-year growth. These data reflect **the potential muscle of the province's economic and business fabric**, showing its entrepreneurial character and business confidence throughout 2022 and the expired quarters of 2023, according to data from the Chamber of Commerce.

INECA (Institute of Economic Studies of the Province of Alicante) points out that the economy of the province is still in a **phase of recovery and growth which is ideal for its productive sector to improve its business dimension**. They support this affirmation in the **positive indicators in the matter of unemployment and affiliation**, with perspectives of improvement throughout the year with the foreseeable lowering of the inflationary process. However, they point out that despite the improvement and the increase in the size of the business network in Alicante, **its average size** (8.6 workers in 2023 compared to 8.5 in 2022) **is still lower than the national average** (11.4). Very negative data compared to large neighboring cities such as Murcia (11.3) or Valencia (11.1).

According to the latest data available in the INE (year 2022), **Alicante only has 94 (90 were in 2021) with more than 250 employees** (the standard consideration for large companies according to the number of employees). Of these, 80 have between 250 and 999 employees (compared to 75 the previous year), 11 have between 1000 and 4999 employees (12 were in 2021) and only 3 (one more than in 2021) have more than 5000 employees. Thus, the figure of **companies with no employees stands out** above all, **accounting for around 55%** of the total business fabric of Alicante and **the figure of SMEs**, which accounts for **around 45%** of the total. The rest, **a tiny 0.07%**, **would be large companies and multinationals**.

If we compare this data with two of its main competitors, Malaga and Valencia, Alicante would be the second with the largest number of companies. In terms of company size, Malaga also has 94 large companies, while Valencia has 238. It is worth mentioning that **Valencia practically doubles the number of companies in Alicante in any stratum with 250 or more employees**. In terms of relevance over the total number of companies, the **figure of the company without employees** in Valencia (55.2%) is lower than in Alicante (56.04%), while in **Malaga it is more important** (57.97%). On the side of **SMEs, it is in Valencia where they are most important** (44.59%), ahead of Alicante (43.9%) and Malaga (41.95%). As for the **large**

groups or companies in these three provinces, **Valencia is the most outstanding**, since they account for 0.1277% of the total number of companies, **while in Malaga, despite having the same number of companies of this size, they have a slightly greater significance over the total number of companies than in Alicante**, 0.063% compared to 0.069%.

Regarding business expectations, the harmonized business confidence index (ICEA) for the Valencian Community increases by 2.5% for the second quarter of 2023 (latest available data), compared to the previous quarter. According to the report of the Valencian Institute of Statistics (IVE) this is the first positive data obtained since March 2022, when the fall began. Despite the improvement in Valencian expectations, the business confidence of the businessman of the Comunitat is still below the national average (2.7%), which is experiencing its highest period of growth. However, **Alicante also shows a good performance in the ICEA**, surely motivated by the good role and performance in the economic recovery, the growth in the number of companies and in job creation in the province, obtaining the highest increase (4.7%) of the Valencian Community, above Valencia (1.3%) and Castellón (1%).

Large groups operating in Alicante

Looking at the large multinationals or large dominant companies in the Alicante market, the **top 10² of companies by turnover accounts for almost 3,000 million euros** of the GDP of the province and more than 10,000 jobs in 2022. As the **outstanding leader is Bitcoinforme** with more than 850 million euros, followed by the mega sports center **Sprinter**, with around 520 million euros, followed by **Baleària** with more than 340 million, **Aldi** with 312 million, **Grupo Soledad** with 303, **Grupo Fernández** with 295, **Masymas** with 285 million (the biggest drop compared to the previous year), **Euro Pool System** with 211 million, **Nexiapharma** with 177 million and **Banco Sabadell Mediación** with 165 million euros.

In **employment**, the ranking would be as follows: 1st place Sprinter (with 4,105 employees); 2nd Masymas (2,690); 3rd Aldi (1,008); 4th Baleària (866); 5th Soledad Group (697); 6th Fernández Group (549); 7th Euro Pool System (238); 8th Bitcoinforme (78); 9th Nexiapharma (46); and 10th Banco Sabadell Mediación.

On the **EBITDA side**, a financial indicator that shows the gross operating profit before deducting financial expenses, the top 5 shows gross results above 10 million

² Although Banco Sabadell would be the number one company in this type of indicators in the province of Alicante, we prefer not to include its head office in the list as it greatly distorts the volume of the figures.

euros. Here, **Baleària** does hold the **number 1 position** with 85.5 million euros, **followed by Sprinter** (55.7 million), **Grupo Soledad** (almost 17 million), **Masymas** (almost 15 million), **Banco Sabadell Mediación** (almost 12 million), **Euro Pool System** (9 million), **Grupo Fernández** (8.7 million), **Aldi** (8.4 million), **Bitconinforme** (5.1 million) and **Nexiapharma** (2.55 million).

On the side of the **results obtained for the year 2022**, **Baleària** leads with 45.4 million euros, followed by Sprinter with 34.11 million euros, the **Soledad Group** with just over 10 million, **Banco Sabadell Mediación** exceeding 8.4 million, **Euro Pool System** with 5.5 million, the **Fernández Group** with almost 4.5 million euros, **Masymas** with 4.2 million, **Bitconinforme** with 3.8 million, **Nexiapharma** with almost 1.8 million euros and **Aldi** with just 1.2 million.

By **sectors**, the **commercial activity** stands out above all, be it **sports** fashion, footwear and accessories (Sprinter) or the **food** branch with the preparation and distribution of food, beverages and drugstores (Aldi, Masymas, Grupo Fernández). **Maritime transport of tourists** (Baleària), **banking** and **insurance** (both Banco Sabadell and its affiliated operator in Alicante), **machinery and equipment rental** (Euro Pool System), **cryptocurrency and blockchain service** (Bitconinforme) or **automobile** (Soledad Group).

In terms of location, only **4 of the 10 are located in the city of Alicante** (Nexiapharma, Euro Pool System, Sprinter and Banco Sabadell), which **together with Elche** (Bitconinforme and Grupo Soledad) **are the only ones with more than one company represented in the ranking**. The rest are located in **Cox** (Grupo Fernández), in **Pedreguer** (Masymas), in **San Isidro** (Aldi) and in **Denia** (Baleària).

Table 1. IBEX 35 companies by location of their headquarters.

Madrid	Acciona; Acciona Energía; Acerinox; ACS; Aena; Amadeus IT Group; Bankinter; Cellnex Telecom; Enagás; Endesa; Ferrovial; IAG; Indra Sistemas; Inmobiliaria Colonial; Mapfre; Merlin Properties; Naturgy; Logista; Red Eléctrica Corporación; Repsol; Laboratorios Rovi; Sacyr; Solaria Energía y Medio Ambiente; Telefónica.
Luxembourg	ArcelorMittal.
Alicante	Banco Sabadell.
Santander	Banco Santander.
Bilbao	BBVA; Iberdrola.
Valencia	CaixaBank.
Barcelona	Fluidra; Grifols.
A Coruña	Inditex.
Palma de Mallorca	Meliá Hotels International.
Malaga	Unicaja Banco

Table 2. IBEX 35 companies by sector of activity.

Construction	Acciona; ACS; Ferrovial; Sacyr.
Renewable energies	Acciona Energía; Solaria Energía y Medio Ambiente.
Ore, metals and processing	Acerinox; ArcelorMittal.
Transportation and distribution	Aena; IAG; Logista.
Electronics and software	Amadeus IT Group; Indra Sistemas.
Banks and savings banks	Banco Sabadell; Banco Santander; Bankinter; BBVA; CaixaBank; Unicaja Banco.

Telecommunications and other	Cellnex Telecom; Telefónica.
Electricity and gas	Enagas; Endesa; Iberdrola; Naturgy; Red Eléctrica Corporación.
Engineering and others	Fluidra.
Pharmaceuticals and biotechnology	Grifols; Laboratorios Rovi.
Textile, apparel and footwear	Inditex.
SOCIMI	Merlin Properties.
Oil	Repsol.
Leisure, tourism and hospitality	Meliá Hotels International.

Table 3. Turnover, sector of activity and location of the top 15 companies with the highest turnover in Spain.

Post	Company	Billing	Sector	Location
1	Mercadona	25.154.320.000	Trade	Valencia
2	Repsol oil	20.021.412.000	Oil	Madrid
3	Compañía Española de Petróleos	17.733.341.000	Oil	Madrid
4	Cepsa	15.948.261.000	Oil	Madrid
5	Repsol Commercial	13.958.318.000	Oil	Madrid
6	Endesa	12.378.588.000	Energy	Madrid
7	Inditex	11.129.000.000	Textile and fashion	A Coruña
8	English Court	10.746.159.000	Trade	Madrid
9	Sociedad Estatal Loterías y Apuestas del Estado (State	9.359.348.000	Gambling and Betting	Madrid

	Lottery and Gambling Company)			
10	Seat	9.256.500.000	Automobile	Barcelona
11	Iberdrola	8.999.391.000	Energy	Bizkaia
12	Carrefour	8.241.332.000	Trade	Madrid
13	Natural Gas	8.143.008.000	Energy	Madrid
14	Telefónica	7.673.781.000	Communications	Vizcaya
15	Iberdrola Customers	7.654.188.000	Energy	Madrid

Number of affiliates of foreign companies by size range, 2020.

Total	11.722
<i>Less than 10</i>	5.080
<i>From 10 a.m. to 7 p.m.</i>	1.537
<i>From 20 to 49</i>	1.842
<i>From 50 to 99</i>	1.144
<i>From 100 to 249</i>	1.063
<i>From 250 to 499</i>	494
<i>From 500 to 999</i>	275
<i>More than 1,000</i>	287

Number of affiliates of foreign companies by sector of activity and size range, 2020.

	Total	Industry	Trade	Services
<i>Total</i>	11.722	2.190	4.113	5.418

<i>Microenterprise (1-9 employees)</i>	5.080	445	1.888	2.747
<i>Small (10-49 occupied)</i>	3.378	573	1.359	1.446
<i>Medium (50-249 occupied)</i>	2.207	773	625	809
<i>Large (250 and more occupied)</i>	1.056	399	241	416

Number of affiliates of foreign companies by sector of activity and geographic area, 2020.

	Total	Industry	Trade	Services
<i>Total</i>	11.722	2.190	4.113	5.418
<i>Euro Zone</i>	6.701	1.328	2.469	2.905
<i>Rest of EU</i>	522	87	196	240
<i>Rest of Europe</i>	1.941	281	533	1.127
<i>America</i>	1.659	300	537	822
<i>Rest of the world</i>	898	195	379	324

Table 7. Companies in Alicante, Valencia and Malaga by number of employees, 2020-21.

Salaried employees	Alicante 2021	Alicante 2022	Valencia 2021	Valencia 2022	Malaga 2021	Malaga 2022
<i>Without employees</i>	79.860	82.541	99.907	103.014	73.770	78.945
<i>From 1 to</i>	40.451	39.720	51.117	50.541	36.161	35.588

2						
3 to 5	13.567	13.800	16.803	17.119	12.036	12.376
From 6 to 9	5.193	5.383	6.834	7.142	4.399	4.671
From 10 a.m. to 7 p.m.	3.147	3.361	4.291	4.540	2.451	2.697
From 20 to 49	1.655	1.763	2.426	2.502	1.249	1.312
From 50 to 99	394	423	746	812	278	321
From 100 to 199	181	176	401	375	167	134
From 200 to 249	35	25	88	79	31	32
From 250 to 999	75	80	188	188	77	80
From 1000 to 4999	12	11	44	45	10	12
From 5000 or more	2	3	6	5	3	2

Table 8. Top 10 ranking of companies in Alicante by turnover, results and EBITDA in €, 2021-22.

Post	Company	Sales	Results	EBITDA
0	Bitcoinforme	854.988.360	3.816.530,9	5.107.284,98
1	Sprinter	519.237.601	34.115.210	55.731.111
2	Baleària	340.046.000	45.404.000	85.510.000
3	Aldi	312.127.043	1.226.126,87	8.429.579,51

4	Soledad Tires	303.001.676	10.312.002,49	16.964.260,58
5	Fernández Group	295.538.106	4.460.267	8.742.338
6	Masymas	285.933.780	4.203.566,19	14.693.414,81
7	Euro Pool System	211.123.036	5.514.255	9.127.856
8	Nexiapharma	177.037.000	1.786.000	2.554.000
9	Banco Sabadell Mediation	165.563.000	8.393.000	11.990.000

Table 9. Employees, sector of activity and location of the top 10 companies with the highest turnover in the province of Alicante.

Post	Company	Employees	Sector	Location
0	Bitcoinforme	78	Technology	Elche
1	Sprinter	4.105	Trade	Alicante
2	Baleària	866	Tourism	Denia
3	Aldi	1.008	Trade	San Isidro
4	Soledad Tires	697	Automobile	Elche
5	Fernandez Group	549	Trade	Cox
6	Masymas	2.690	Trade	Pedreguer
7	Euro Pool System	238	Machinery rental	Alicante
8	Nexiapharma	46	Pharmacist	Alicante
9	Banco Sabadell Mediación	11	Banking	Alicante

Sources consulted:

- eEconomista
- GVA
- INE
- IVE
- Chamber of Commerce
- DIRCE
- IBEX 35