

In this issue, we will briefly review all the fastener company acquisitions - a total of twenty worldwide - completed so far this year (through July 31, 2013). Of course, it is impossible to track every single fastener company transaction because many deals involving private companies are not publicly-disclosed. That said, we believe the following list is the most comprehensive (and detailed) you will find.

The acquisitions of Disco Industrial Screw Corporation, Columbus Fastener Corporation and John M. Allen Company Inc. (see below) actually closed on December 31, 2012. These transactions are included in our 2013 deal list because, as a practical matter, there is typically no public announcement of deals involving privately-owned buyers and sellers until after the transaction closes (sometimes well after). For this reason, we were unable to include these three transactions in our previously published deal list for 2012.

Fastener Company Acquisitions Completed Thus Far in 2013



by Richard P. Hagan



On January 1, 2013, Duncan Bolt Company purchased Disco Industrial Screw Corporation ("Disco").

Founded in 1952 and located in Santa Fe Springs, California, Disco is a small value-added fastener distributor providing Vendor Managed Inventory, JIT Delivery and Bin-Stocking services to OEMs in the Western United States. Duncan Bolt, founded in 1953 and also located in Santa Fe Springs, California, is a stocking distributor of brand name fasteners including: Huck Fasteners; AVK Industrial Products; Marson Rivets; Henrob Self-Piercing Rivets and Gesipa Fasteners. Duncan Bolt also has a fastener installation tooling repair / rental division, along with three branches in Phoenix, Arizona; Monterrey, Mexico; and Shanghai, China. Following the transaction closing, the Disco operations are to be consolidated into the nearby operations of Duncan Bolt and Al Amado, the owner / founder of Disco, plans to retire. Purchase price: not available.



A Bostwick-Braun Company

On January 1, 2013, The Bostwick-Braun Company purchased Columbus Fastener Corporation.

Columbus Fastener is a full-line distributor of fasteners and related construction & industrial supplies with three Ohio warehouse locations (two in Columbus and one in Cincinnati). The company supplies both OEMs and MRO end-users across Ohio and the surrounding states. Bostwick-Braun is a wholesale hardware distributor supplying both retail and commercial / industrial customers across the Central and Northeastern United States. Founded in 1855 and headquartered in Toledo, Ohio, Bostwick-Braun has a 280,000 square foot distribution center in Ashley, Indiana and five branches in: Avon, Ohio; Indianapolis, Indiana; West Helena, Arkansas; McKeesport, Pennsylvania; and Providence, Rhode Island. Following the transaction closing, Columbus Fastener will become the primary fastener source for Bostwick-Braun and will have access to the enhanced product range and VMI program expertise offered by Bostwick-Braun. Purchase price: not available.



On January 1, 2013, Jergens Industrial Supply ("JIS") purchased the John M. Allen Company.

Founded in 1953 and located in Strongsville, Ohio, John M. Allen is a stocking distributor of metalworking consumables including cutting tools, machine tools, carbide inserts, drills, metalworking fluids, abrasives and general MRO supplies. Located in Cleveland, Ohio, JIS is a catalog distributor of a broad range of metalworking products representing more than 300 North American manufacturers. The acquisition of John M. Allen expands the JIS customer base and adds several attractive authorized distributorships to the JIS product offering. JIS is a division of Jergens Inc., a manufacturer of tooling & workholding components, specialty fasteners and specialty hoist rings. Jergens, a privately-owned company founded in 1942, operates from a 130,000 square foot facility in Cleveland, Ohio. Jergens' fastener product range includes: quick release pins, clevis pins, rod ends, flange locking bolts, flange locknuts, threaded inserts and threaded plungers. Purchase price: not available.



On January 2, 2013, OMG Inc. purchased the W.P. Hickman Company.

Founded in 1960 and located in Asheville, North Carolina, W.P. Hickman is a manufacturer of proprietary metal roof edge systems designed to provide protection against wind damage and water infiltration. In the early 1960's, W.P. Hickman developed and patented the construction industry's first multiple component roof edge product line. Formerly known as Olympic Manufacturing Group, OMG is North America's largest manufacturer of roofing fasteners for commercial and residential construction applications. Through its FastenMaster business unit, OMG also manufactures a line of specialty fasteners for drywall installation and repair, along with specialty deck screws. Founded in 1981 and headquartered in Agawan, Massachusetts, OMG is a wholly-owned subsidiary of Handy & Harmon Ltd. (Nasdaq: HNH). Purchase price: not available.



On January 28, 2013, TriMas Corporation (Nasdaq: TRS) purchased Martinic Engineering Inc. ("Martinic").

Founded in 1978 and located in Stanton, California, Martinic manufactures complex CNC components (from castings, forgings and bar stock) for commercial and military aircraft applications, including electrical, hydraulic & pneumatic systems and auxiliary power units. Martinic generated net sales of \$13 million in 2012. Following the transaction closing, Martinic became a business unit of TriMas' Aerospace and Defense segment, which is dominated by Monogram Aerospace Fasteners ("Monogram"). Located in Los Angeles, Monogram is a leading manufacturer of blind bolts for the aerospace market. TriMas is a diversified global manufacturer of specialty engineered products for a diverse range of industrial, aerospace, commercial and consumer end-user markets. TriMas has approximately 5,500 employees at more than 60 facilities around the world and generated net sales of \$1.27 billion in 2012. Purchase price: \$19 million.

On February 19, 2013, The Hillman Companies Inc. ("Hillman") purchased H. Paulin & Co. Limited ("Paulin").

Founded in 1920 and headquartered in Toronto, Canada, Paulin is a distributor and manufacturer of fasteners, fluid handling systems, automotive parts and retail hardware components. Paulin has four manufacturing facilities located in Ontario, Canada, along with six distribution centers spread across Canada and in Flint, Michigan and Cleveland, Ohio. Listed on the Toronto Stock Exchange (symbol: PAPA), Paulin generated net sales of Can\$139 million in calendar 2011. Founded in 1964 and headquartered in Cincinnati, Ohio, Hillman is a value-added distributor of fasteners, key duplication systems, engraved tags and related hardware. Hillman's customer base includes home improvement centers, national & regional hardware chains, mass merchants and pet supply stores. The company supplies more than 20,000 retail customers in the United States, Canada, Mexico, South America and Australia. Hillman is a portfolio company of Oak Hill Capital Partners, a NYC-based private equity firm. Purchase price: Can\$103 million.



On January 14, 2013, NORMA Group AG purchased Davydick & Co. Pty. Limited ("Davydick").

Established in the mid-1980's and based near Sydney, Australia, Davydick distributes a comprehensive range of irrigation system hardware for the agricultural, plumbing and commercial hardware markets. Davydick's product range includes fittings, valves, hoses and nozzles, along with water pumps marketed under the PumpMaster® brand name. Based outside Frankfurt, Germany, NORMA Group manufactures a diverse range of highly-engineered clamps, connectors, fittings and joining products for approximately 10,000 customers located around the world. NORMA Group operates 19 manufacturing facilities in Europe, North America and Asia, along with a global sales and distribution network. The company employs 4,485 people worldwide and generated net sales of €604.6 million in 2012. NORMA Group shares are traded on the Frankfurt Stock Exchange (symbol: NOEJ). Purchase price: not available

On January 20, 2013, MW Industries Inc. purchased Lifeline Products Inc.

Founded in 1976 and located in Wallingford, Connecticut, Lifeline Products is a manufacturer of custom hypodermic needles, infusion assemblies and stainless steel tubular components for the medical market. Following the transaction closing, Lifeline Products' equipment and customer base will be consolidated into MW Industries' Economy Spring division located in nearby Southington, Connecticut. Economy Spring and Lifeline Products share mutual customers and significant post-acquisition operating efficiencies are anticipated. MW Industries is a manufacturer of engineered mechanical components including highly-engineered springs, specialty fasteners, machined parts, precision stampings and custom wire forms. The company is headquartered in Rosemont, Illinois and is comprised of 14 operating divisions located in 10 states. MW industries is a portfolio company of Genstar Capital LLC, a San Francisco-based private equity firm. Purchase price: not available.





On February 27, 2013, Stanley Black & Decker Inc. (NYSE: SWK) purchased Infastech™ Limited.

Headquartered in Hong Kong, Infastech is a global manufacturer and distributor of engineered fasteners, supplying the electronics, automotive, construction and general industrial markets. The company's product brand names include: Avdel; Elco; iForm; Nacro; and Dril-Flex. Infastech operates seven manufacturing facilities in the United States (2), the United Kingdom, China, Taiwan, India and Malaysia and employs more than 2,000 people worldwide. Infastech generated net sales of approximately \$580 million in 2012, with more than one-half of its revenue coming from the Asia / Pacific region. Stanley Black & Decker is a diversified manufacturer of hand tools, power tools, engineered fastening systems, mechanical access systems and electronic security solutions. Following the transaction closing, Infastech will be integrated with SWK's Emhart Technologies fastener division and the combined entity (now with annual net sales of approximately \$1.5 billion) will be named Stanley Engineered Fastening. Purchase price: \$850 million.

On March 28, 2013, Horst Engineering & Manufacturing Company ("Horst") purchased Sterling Machine Company Inc. ("Sterling").

Founded in 1966 and located in Lynn, Mass., Sterling is a niche manufacturer of made-to-print machined components for the aerospace industry. Sterling supplies several of the world's leading jet engine manufacturers with close-tolerance, high-strength parts and employs a total of 33 people. Founded in 1946 and headquartered in East Hartford, Conn., Horst is a contract manufacturer of precision machined components for the aerospace, medical and other high technology applications. The company's core manufacturing processes include: Swiss screw machining, turning, milling, centerless grinding, thread rolling and assembly. Horst employs 85 people at its headquarters



On March 22, 2013, Elgin Fastener Group LLC ("EFG") purchased Telefast Industries Inc. ("Telefast").

Founded in 1986 and located in Berea, Ohio (outside Cleveland), Telefast manufactures nuts in diameters between 1/4 inch (M6) and 7/8 inch (M20) and bolts in diameters between 1/4 inch (M6) and 5/8 inch (M16). Telefast manufactures both standard and specialty (made-to-print) parts for the distributor market and for a diverse range of OEM / MRO end-users. Headquartered in Batesville, Indiana, EFG manufactures a diverse range of cold-headed, externally-threaded specialty and semi-standard fasteners. Prior to the addition of Telefast, EFG was comprised of seven fastener businesses and a metal finishing operation. Each of EFG's fastener business units produces a distinctly different product range for separate industrial applications and end-user markets. Telefast is the first EFG business unit to produce internally-threaded fasteners. EFG is a portfolio company of Audax Group, a Boston-based private equity firm with more than \$5.0 billion under management. Purchase price: not available.

On March 26, 2013, TriMas Corporation (Nasdaq: TRS) purchased Wulfrun Specialised Fasteners Limited ("Wulfrun").



Founded in 1986 and located in Wolverhampton, United Kingdom, Wulfrun is a niche manufacturer and distributor of specialty fasteners and CNC machined components for the oil & gas, power generation and pipeline & process equipment industries. The company focuses on supplying quality-critical parts typically used in heat-resistant, pressure-resistant and corrosion-resistant applications. Wulfrun, a privately-owned company, generated net sales of approximately \$10.0 million in 2012. Following the transaction closing, Wulfrun became a division of Lamons Gasket Company ("Lamons"), a wholly-owned subsidiary which comprises the Energy Division of TriMas (this division generated net sales of \$190.2 million in 2012). Lamons is a manufacturer and distributor of gaskets, bolts and nuts for the global petrochemical, oil & gas refining, chemical processing, power generation and pulp & paper industries. Purchase price: \$9.6 million.



On April 1, 2013, Elgin Fastener Group LLC ("EFG") purchased Vegas Fastener Manufacturing ("VFM").

Founded in 1998 and located in Las Vegas, Nevada, VFM is a niche manufacturer of premium-quality fasteners and made-to-print specialty parts which are hot-forged or machined from stainless steel and a broad range of "exotic" alloys. The major end-user industries supplied by VFM include: power generation; ship building; environmental / pollution control; oil & gas refining & processing; heavy construction; and heavy equipment manufacturing. Following the transaction closing, EFG was comprised of nine fastener manufacturing businesses and a metal finishing operation. Each of EFG's fastener business units produces a distinctly different product range for separate industrial applications and end-user markets. VFM manufactures both externally and internally threaded fasteners and is the first business unit within EFG to produce hot-forged parts. EFG is a portfolio company of Audax Group, a Boston-based private equity firm with more than \$5.0 billion under management. Purchase price: not available.

location and 35 people at its Mexican subsidiary located in Guaymas, Mexico. Purchase price: not available.



On April 8, 2013, Southco Inc. purchased Unikey Metalurgica Ltda. ("Unikey").

Located in São Paulo, Brazil, Unikey is a manufacturer and distributor of latches, locks, hinges, ventilation systems and related access / assembly hardware. Unikey supplies a diverse range of end-user industries including industrial machinery, electrical equipment, mass transportation and telecommunications. Unikey sells throughout South America via an extensive network of authorized distributors and has a European sales office in Portugal. Founded in 1945 and headquartered in Concordville, Pennsylvania, Southco is a global manufacturer of engineered access / assembly hardware. The Southco product range includes: latches; locks; captive fasteners; quick-release fasteners; inserts; hinges; and handles. Southco operates eight manufacturing facilities in the United States (2), United Kingdom (2), China (2), Korea (1) and India (1), along with nine sales / distribution centers around the globe. Prior to the transaction closing, Southco had two distribution centers in Mexico, but did no manufacturing in North America or South America outside the United States. Purchase price: not available.

On April 22, 2013, MSC Industrial Direct Co. Inc. (NYSE: MSM) purchased the Barnes Distribution business unit of Barnes Group Inc. (NYSE: B).



Based in Cleveland, Ohio, Barnes Distribution is a value-added distributor of fasteners and MRO supplies. Barnes Distribution has a strong footprint throughout the United States and Canada, supplying approximately 31,000 customers with more than 1,300 employees, including more than 800 field associates. The company specializes in lowering customer's inventory procurement / management costs through storeroom organization and vendor managed inventory programs. Barnes Distribution generated net sales of approximately \$300 million in calendar 2012. MSC Industrial is a value-added distributor of metalworking and MRO supplies headquartered in Melville, New York. MSC Industrial operates primarily in the United States (customers in all 50 states), with four distribution centers and 106 branch sales offices. In the 12 months ended September 1, 2012, MSC Industrial generated net sales of \$2.36 billion. Purchase price: \$550 million.



On June 6, 2013, Carlson Systems Holdings Inc. ("Carlson") purchased Western Tool Supply.

Founded in 1982 and headquartered in Salem, Oregon, Western Tool Supply is a distributor of fasteners and tools for construction, woodworking and general industrial customers. The company's product range includes fasteners, power & hand tools, staplers and nailers. Western Tool Supply operates 14 branches in Oregon, Washington, Idaho, Utah and Montana. Founded in 1947 and headquartered in Omaha, Nebraska, Carlson is a distributor of product assembly systems serving the fastening and packaging requirements of a diverse range of general industrial and construction customers. The company's product range includes fasteners, hand-held nailers & staplers, marking & labeling products, stretch/shrink wrappers and strappers. Carlson operates 52 branches spread across 22 states and parts of Mexico. Carlson is a portfolio company of Industrial Opportunity Partners LLC, an Evanston, Illinois-based private equity firm with \$460 million of committed capital. Purchase price: not available.



TAT LEE (THAILAND) LTD.

On April 29, 2013, TriMas Corporation (Nasdaq: TRS) purchased Tat Lee (Thailand) Ltd.

Established in 2006 and located in Rayong, Thailand, Tat Lee is a manufacturer and distributor of standard and specialty gaskets for petrochemical, chemical processing and general industrial applications. Following the transaction closing, Tat Lee became a wholly-owned subsidiary of Lamons Gasket Company ("Lamons"), which comprises the Energy Division of TriMas. Lamons is a manufacturer and distributor of gaskets, bolts and nuts for the global petrochemical, oil & gas refining, chemical processing, power generation and pulp & paper industries. Headquartered in Houston, Texas, Lamons generated net sales of \$190.2 million in 2012. Purchase price: not available.

On May 28, 2013, Bossard Holding AG ("Bossard") purchased Intrado AG.

Located in Hünenberg, Switzerland, Intrado is the import division of Jacob GmbH, the global specialist in electrical cable glands, connectors, adaptors and plugs. Headquartered in Kernen, Germany, Jacob manufactures and distributes a broad range of electrical connector products for the global marketplace. The addition of Intrado to the Bossard Group brings an expanded product range and a business unit staff with extensive technical knowledge about electrical engineering products. Intrado employs a total of ten people and generated net sales of US\$3.0 million in 2012. Founded in 1831 and headquartered in Zug, Switzerland, Bossard is a value-added distributor of fasteners and assembly hardware. Employing more than 1,800 people in over 60 locations worldwide, Bossard generated net sales of US\$451 million in 2012. Bossard shares are traded on the Swiss Stock Exchange (symbol: BOS). Purchase price: not available.





On July 5, 2013, NORMA Group AG purchased Guyco Pty. Limited (“Guyco”).

Founded in 1994 and headquartered in Adelaide, South Australia, Guyco is a designer, manufacturer and distributor of fittings and valves for agricultural, plumbing and general industrial applications. Guyco’s product range includes threaded fittings, camlock couplings, joiners & connectors, valves and risers - all in a full range of materials and configurations. Guyco supplies more than 700 customers across Australia and New Zealand and generated net sales of €7.0 million in 2012. Guyco significantly expands NORMA Group’s presence in the

Asia / Pacific region and is a good strategic fit with the recent acquisitions of Davydick & Co. Pty. Ltd. (located in Sydney, Australia) and Chien Jin Plastic Sdn. Bhd. (located in Ipoh, Malaysia.). NORMA Group is a global manufacturer and distributor of a broad range of highly-engineered clamps, connectors, fittings and joining products. NORMA Group employs around 4,500 people worldwide and generated net sales of €604.6 million in 2012. Purchase price: not available.

On July 16, 2013, MW Industries Inc. purchased Mohawk Spring Corporation (“Mohawk”).



Founded in 1960 and located in Schiller, Park, Illinois (a suburb of Chicago), Mohawk is a niche manufacturer of precision springs, wireforms and metal stampings. The company’s products are used in consumer electronic devices, home appliances, medical devices, aerospace subassemblies and numerous other general industrial applications. Mohawk is the fourth bolt-on acquisition completed by MW Industries in the last two years. MW Industries is a leading manufacturer of highly-engineered springs, specialty fasteners and other precision-formed components. The company is headquartered in Rosemont, Illinois and is comprised of fifteen operating divisions located in ten different states. MW Industries is a portfolio company of Genstar Capital LLC, a San Francisco-based private equity firm with more than \$4 billion under management. Purchase price: not available.



About the Author: RICHARD P. HAGAN

Richard P. Hagan is the president of Pinnacle Capital Corporation, a boutique investment banking firm which specializes in providing merger & acquisition advisory services to the global fastener industry. Since its founding in 1993,

Pinnacle has provided expert guidance and assistance to a broad range of fastener company clients - large and small, manufacturers and distributors, publicly-traded and privately-owned - in numerous countries around the world. The majority of the projects undertaken by Pinnacle are sale / divestiture assignments. The firm also provides expert advice and assistance with acquisitions, strategic investments, joint venture partnerships, debt & equity financings, business valuations and fairness opinions.

Hagan has more than twenty-five years of international investment banking experience and has worked on a broad range of successful domestic and cross-border M&A transactions, corporate restructurings and capital raisings. Prior to founding Pinnacle, Hagan managed the New York operations of a publicly-traded Australian investment bank. He began his career in the fund management field in 1985 after earning a B.A. in Economics from the University of North Carolina at Chapel Hill and an M.B.A. in Finance from Fordham University in New York City.

Pinnacle is located at 79 Pine Street, Front 6, New York, New York 10005

Phone: 212-267-8200

Email: rphagan@pinnaclecapitalcorp.com