

Platinum Equity To Acquire Oregon Tool From American Securities And P2 Capital Partners

Acquisition will help Oregon Tool fuel innovation and propel global growth

Jul 14, 2021, 07:00 ET

PORTLAND, Ore., July 14, 2021 /PRNewswire/ -- Platinum Equity, American Securities and P2 Capital Partners today announced the signing of a definitive agreement under which Platinum Equity will acquire Oregon Tool, a global manufacturer and distributor of aftermarket-driven professional grade cutting tools, outdoor equipment accessories and parts. American Securities and P2 Capital have owned the company (previously known as Blount International) since taking it private in 2016. Financial terms were not disclosed.

Oregon Tool is the world's #1 manufacturer of saw chain and guide bars for chainsaws, and a leading manufacturer of lawn mower blades, agricultural tractor attachments and a broad range of other products used by professionals and consumers in the forestry, lawn and garden, and agricultural end markets. Its products are sold into the aftermarket through multiple channels, including distributors, dealers, mass merchants and e-commerce, as well as to original equipment manufacturers for "first fit" use on new equipment. Since its founding in the 1940s, Oregon Tool has grown from a family business into a multinational organization.

"Oregon Tool has a well-deserved reputation for quality, innovation and engineering that dates back nearly 75 years," said Platinum Equity Partner Louis Samson. "We are committed to building on that legacy and working with the management team to invest in a new generation of growth and expansion. We have a lot of experience helping companies like Oregon Tool take the next step and our financial and operational resources will accelerate their efforts."

With more than 3,200 team members, Oregon Tool sells thousands of products in more than 110 countries under multiple professional and consumer brands like Oregon, Woods and ICS. Earlier this year, the company rebranded from Blount International to Oregon Tool, an effort that highlights its unique heritage and long history of innovation, while also marking an important inflection point in its evolution as an industry leader.

"Oregon Tool is an outstanding platform that operates in a large and highly fragmented market," said Platinum Equity Managing Director David Glatt. "In addition to nurturing the company's existing portfolio, we will pursue an aggressive strategy to expand in adjacent product categories across segments, channels and geographies."

Oregon Tool CEO Paul Tonnesen will continue to lead the company following the transaction.

"We're grateful for American Securities' and P2's investment in Oregon Tool, which has helped us accomplish many of our aggressive goals ahead of schedule. We also view the sale of our company to Platinum Equity as evidence of the successes we've achieved in recent years," said Mr. Tonnesen. "We are very excited for what's next, and we know that Platinum's investment will propel our growth and innovation, strengthen our position as industry leaders, and continue equipping our pro and DIY customers with the products they need to get the job done."

The transaction is expected to be completed in the fourth quarter of 2021.

"We were Oregon Tool public shareholders for several years prior to taking the company private in partnership with American Securities," said Josh Paulson, Partner at P2 Capital Partners. "We are proud of the company's accomplishments and have thoroughly enjoyed working closely with the Oregon Tool and American Securities teams."

"By utilizing our deep American Securities Resources Group team of functional expert colleagues and other resources, we were able to execute a number of value-enhancing, strategic initiatives and to grow Oregon Tool and position the company for future success," added Loren Easton, a Managing Director of American Securities.

Evercore and Baird are serving as financial advisors to American Securities, P2 Capital Partners and Oregon Tool, and Kirkland & Ellis LLP is acting as legal advisor to Oregon Tool on the sale to Platinum Equity. Latham & Watkins LLP is acting as legal advisor to Platinum Equity on the transaction.

Oregon Tool was founded by Joe Cox in 1947 as the Oregon Saw Chain Corp. Inspired by nature – a timber beetle larva to be exact – Cox studied the creature to better understand how to cut wood more efficiently for his forestry work in the Oregon wilderness. With his learnings, Cox pioneered a new saw chain in the basement of his Portland, Oregon home – a design he modelled after the larva's alternating C-shape jaws. He called it the "Cox Chipper Chain." Cox's saw chain revolutionized the timber industry and remains widely used today around the globe.

About Oregon Tool

Oregon Tool is a global, premium-branded, aftermarket-driven precision-cutting-tool powerhouse platform. The company's portfolio of brands specializes in professional grade precision cutting tools for forestry, lawn and garden; farming, ranching and agriculture; and concrete cutting and finishing. Headquartered in Portland, Oregon, with a multinational manufacturing and distribution footprint, Oregon Tool sells its products in more than 110 countries under the Oregon®, Woods®, ICS®, Pentruder®, Merit®, Carlton® and SpeeCo® brands. The company is the world's #1 manufacturer of saw chain and guide bars for chainsaws and diamond saw chain for concrete and pipe, a leading manufacturer of agricultural tractor attachments, and the leading OEM supplier of first-fit and replacement parts. Learn more at www.oregontool.com.

About Platinum Equity

Founded in 1995 by [Tom Gores](#), Platinum Equity is a global investment firm with more than \$25 billion of assets under management and a [portfolio](#) of approximately 40 operating companies that serve customers around the world. The firm is currently investing from [Platinum Equity Capital Partners V](#), a \$10 billion global buyout fund, and [Platinum Equity Small Cap Fund](#), a \$1.5 billion buyout fund focused on investment opportunities in the lower middle market. Platinum Equity specializes in mergers, acquisitions and operations – a trademarked strategy it calls M&A&O® – acquiring and operating companies in a broad range of business markets, including manufacturing, distribution, transportation and logistics, equipment rental, metals services, media and entertainment, technology, telecommunications and other industries. Over the past 25 years Platinum Equity has completed more than 300 acquisitions.

About American Securities

Based in New York with an office in Shanghai, American Securities is a leading U.S. private equity firm that invests in market-leading North American companies with annual revenues generally ranging from \$200 million to \$2 billion and/or \$50 million to \$250 million of EBITDA. American Securities and its affiliates have more than \$25 billion under management. For more information, visit www.american-securities.com.

About P2 Capital Partners

P2 Capital Partners is a New York-based investment firm that applies a private equity approach to investing in the public market. P2 manages a concentrated portfolio of significant ownership stakes in high quality public companies in which it is an active shareholder focused on creating long-term value in partnership with management. The firm will also lead private equity transactions within its public portfolio. P2's limited partners include leading public pension funds, corporate pension funds, sovereign wealth funds, endowments, foundations, insurance companies, and high net worth investors.

SOURCE Oregon Tool