



# Global Consolidation Among Plastics Processors:

**The Future of the Industry/State of Financial Issues**



**Western Plastics Association**  
**Annual Conference**  
**June 22, 2016**  
**Newport Beach, California**

# Blaige & Company

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## Pure Focus. Premier Value.<sup>SM</sup>

- Blaige & Company's Pure Focus has resulted in its position as the brand leader and only specialist investment bank of its kind.
- Our advantage is rooted in two unique and significant capabilities:
  - Application of Extensive CEO - Level Strategy and Operations Experience
  - Plastics, Packaging, Chemicals Only

Blaige & Company's senior advisory professionals have personally managed, owned, or visited over 600 plastic, packaging, and chemical operations in over 40 countries, and have completed nearly 200 value-enhancing transactions exclusively in plastics, packaging, and chemicals.

# Blaige & Company

## Global Operating Experience, Exclusive Focus, Unmatched Results

Farber Plastics Inc.

has completed a Strategic Recapitalization with

**Private Investor**

Exclusive representation of  
Farber Plastics Inc.  
by Blaige & Company



Laud Collier & Company, LLC

has acquired the

**Oneida Molded Plastics Division**  
of Reunion Industries, Inc.

Exclusive representation of  
Reunion Industries, Inc.  
by Blaige & Company



Has been acquired by



A Portfolio Company of



Exclusive representation of Grayling  
by Blaige & Company



Siegel-Robert Plastics

a subsidiary of Siegel-Robert, Inc.

has been acquired by

**ADF Capital  
Partners, L.L.C.**

Exclusive representation of  
Siegel-Robert, Inc.  
by Blaige & Company



A portfolio company of

**SUN CAPITAL PARTNERS, INC.**

has acquired



Exclusive representation of  
Supraplast S.A. (Ecuador)  
by Blaige & Company



has been acquired by



a portfolio company of



Exclusive representation of Jet Plastica Industries  
by Blaige & Company



has divested



COMPOUNDERS, INC.

to



a portfolio company of



Exclusive representation of  
Mitsubishi International Corporation  
by Blaige & Company



has acquired



Shield Pack, LLC  
PRODUCERS OF SPECIALTY PACKAGING

a portfolio company of



Exclusive representation of  
Shield Pack, LLC  
by Blaige & Company



INTEPLAST GROUP

World of Plastics

through affiliate, Naflex Corporation,  
has acquired certain assets of



Exclusive representation of  
Nuna Plastics  
by Blaige & Company



MAGNA CAPITAL

CFB

CAPITAL FOR BUSINESS

FIRST CAPITAL PARTNERS



Blaige & Company advised  
Magna Capital, LLC  
on the transaction



# Blaige & Company

## Global Operating Experience, Exclusive Focus, Unmatched Results



Sector Focused Investment  
Banking Firm of the Year 2015



Sector Focused CEO of  
the Year 2015



**Negri Bossi sold** | Kingsbury to give prominent Italian injection press maker US identity  
*By Michael Langan and Bill Dwyer*  
 Negri Bossi, the largest Italian injection press maker in the U.S. industry and probably a U.S. production leader...  
**Greiner Packaging takes aim at US market**  
*By Jim Johnson*  
 Greiner Packaging International GmbH, one of Europe's largest makers of rigid plastic packaging, now wants to make its mark in the United States...

**Mid-sized processors feel the squeeze to grow**  
*By Catherine Karagach*  
 Cases — Inhabited by these large suppliers and large customers, many plastic processors are feeling the squeeze and they ought to feel the need to push back some how to keep their positions, according to experts...

**Premium packaging**  
*By Jim Johnson*  
 Greiner's 45 packaging technology allows the cardboard wrap to be constructed with the interior and exterior and provides caps through the...

**Medical**  
 MATERIAL MATTERS: Rising to Meet the Demands of Healthcare  
 FOR MORE INFORMATION SEE PAGE 27.

# Presentation Overview

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## Mega Trends in Plastics M&A

### I. Globalization Driving Growth

### II. Segment Analysis:

- Supply Chain (Machinery & Tooling, Resins, Colorants & Compounding)
- Processors (Segments)
- Key End Market (Packaging)
- Case Studies (Berry, Coveris, Sigma, Inteplast, Constantia)

### III. Big Getting Bigger, Widening “Gap”

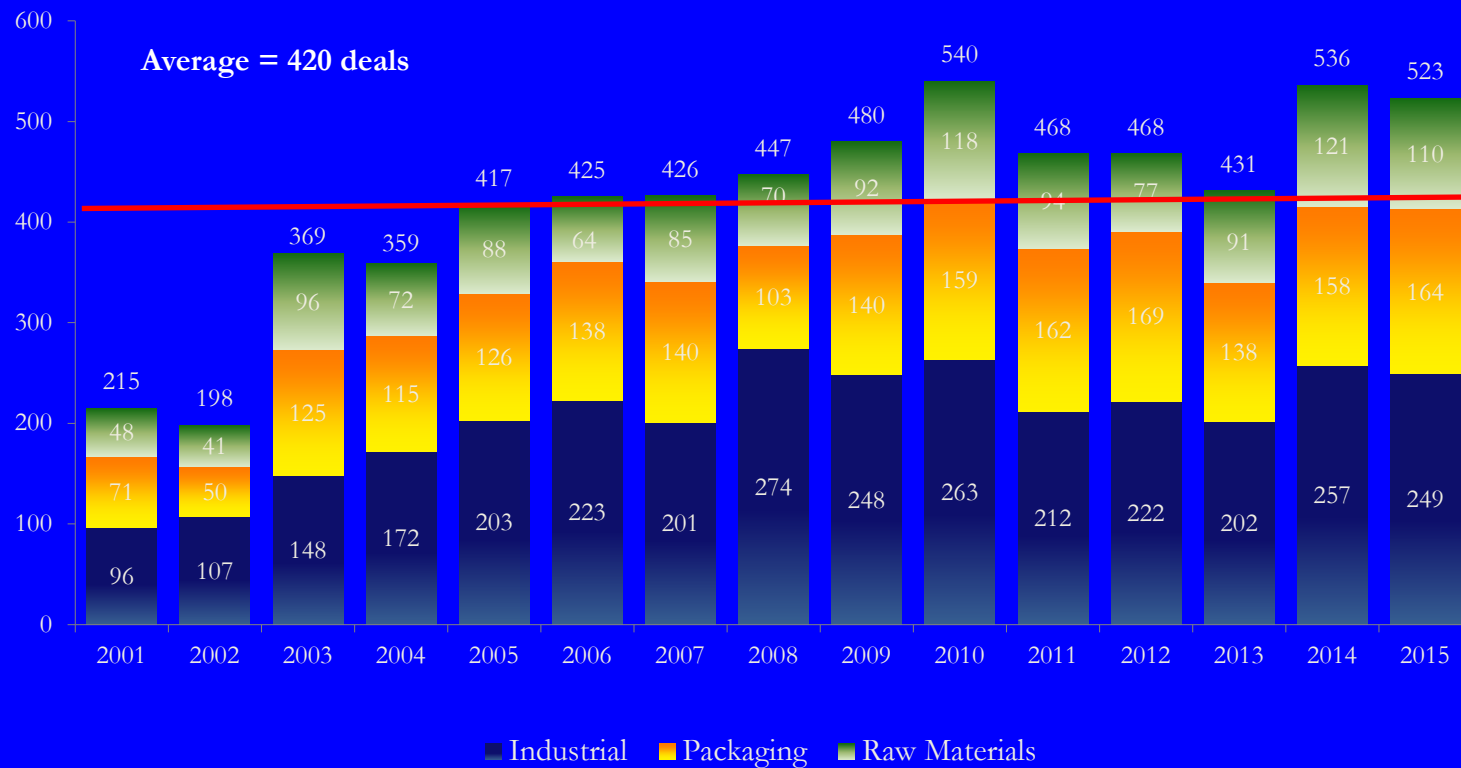
### IV. Sellers’ Market-Quality/Size Matter

### V. Recommendation to Plastics Processors & Conclusion

# I. Globalization Driving Growth

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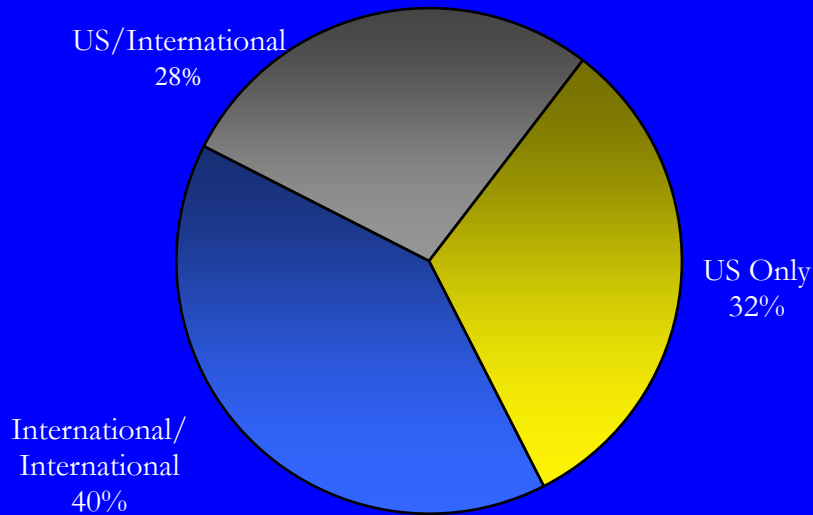
- Plastics Deal Volume Way Up in Past Fifteen Years:
- Plastics M&A Volume Doubled from 2001-2015



# I. Globalization Driving Growth

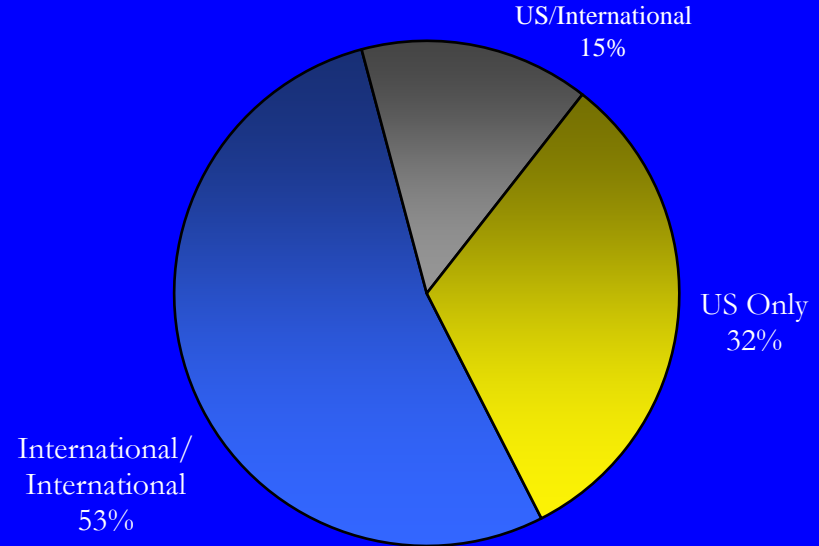
- Plastics Deal Volume Way Up in Past Fifteen Years:
- Plastics M&A Volume Doubled from 2001-2015
- Fastest Growth: International (BRIC Geographies)

2001



215 Transactions

2015

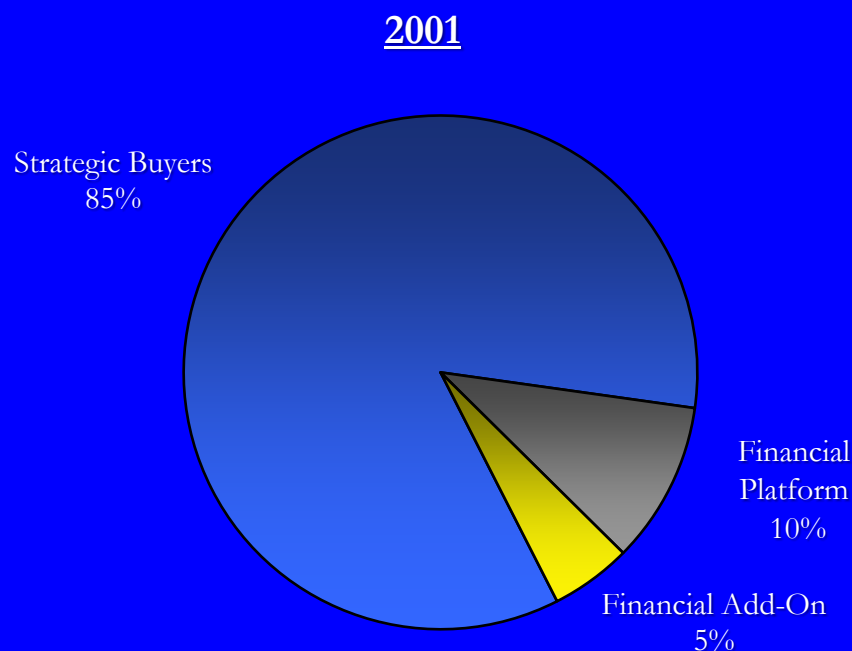


523 Transactions

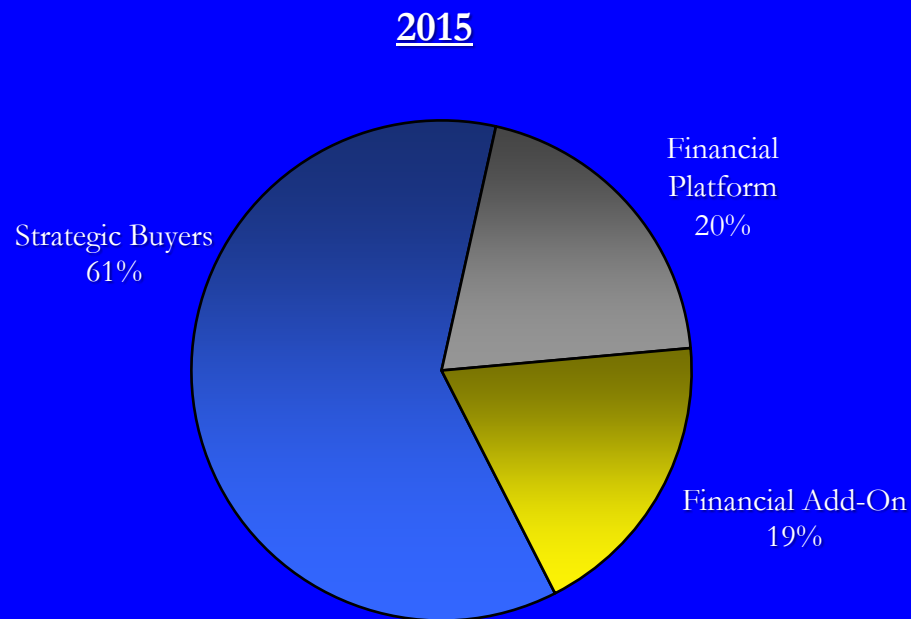


# I. Globalization Driving Growth

- **Strategic Motivations:** 80% of Deals are Strategic in Nature (Strategic Buyers & Financial Add-ons)



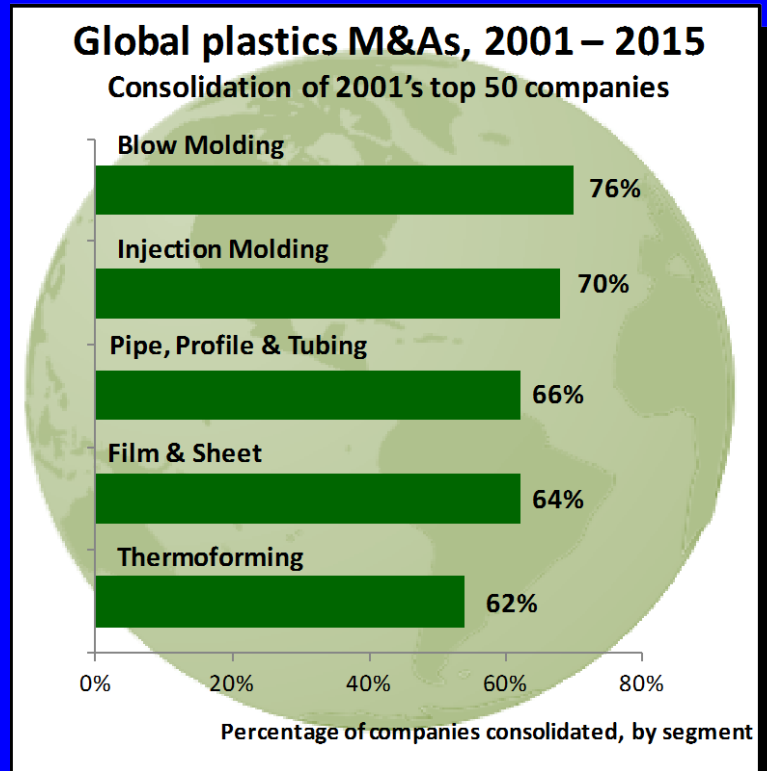
215 Transactions



523 Transactions

# I. Globalization Driving Growth

## ➤ Strategic Consolidation Changing Competitive Landscape

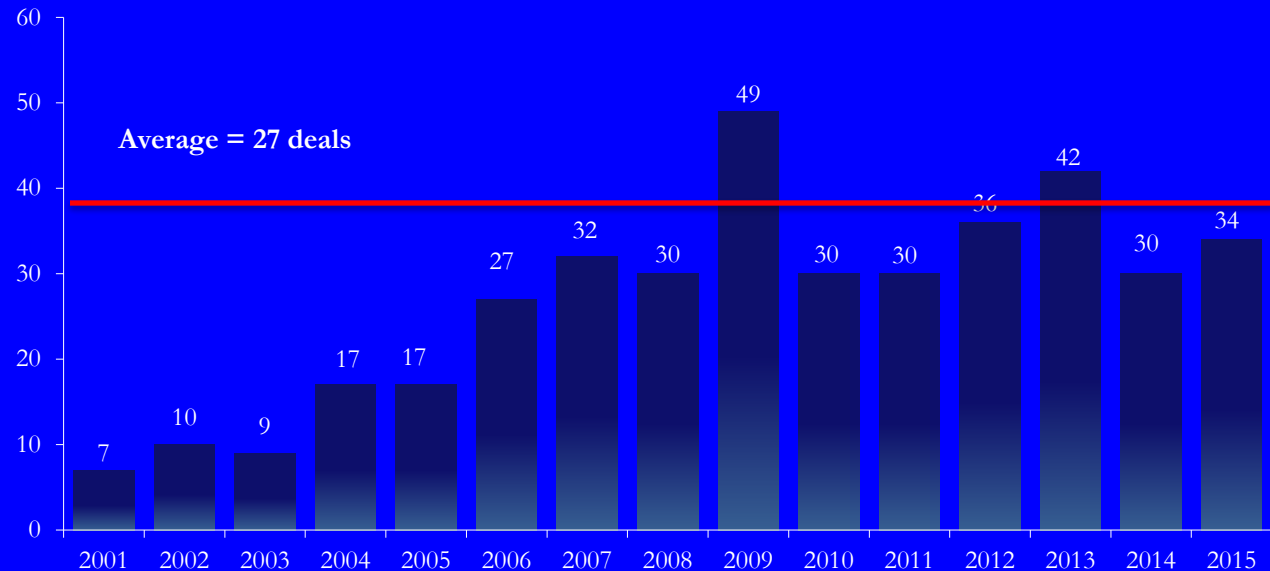


- **Labels: 64%**
- **Rotational Molding: 48%**
- **Adhesives & Sealants: 40%**

## II. Segment Analysis

# II. Segment Analysis - Supply Chain (Machinery)

## Machinery & Tooling Deal Activity

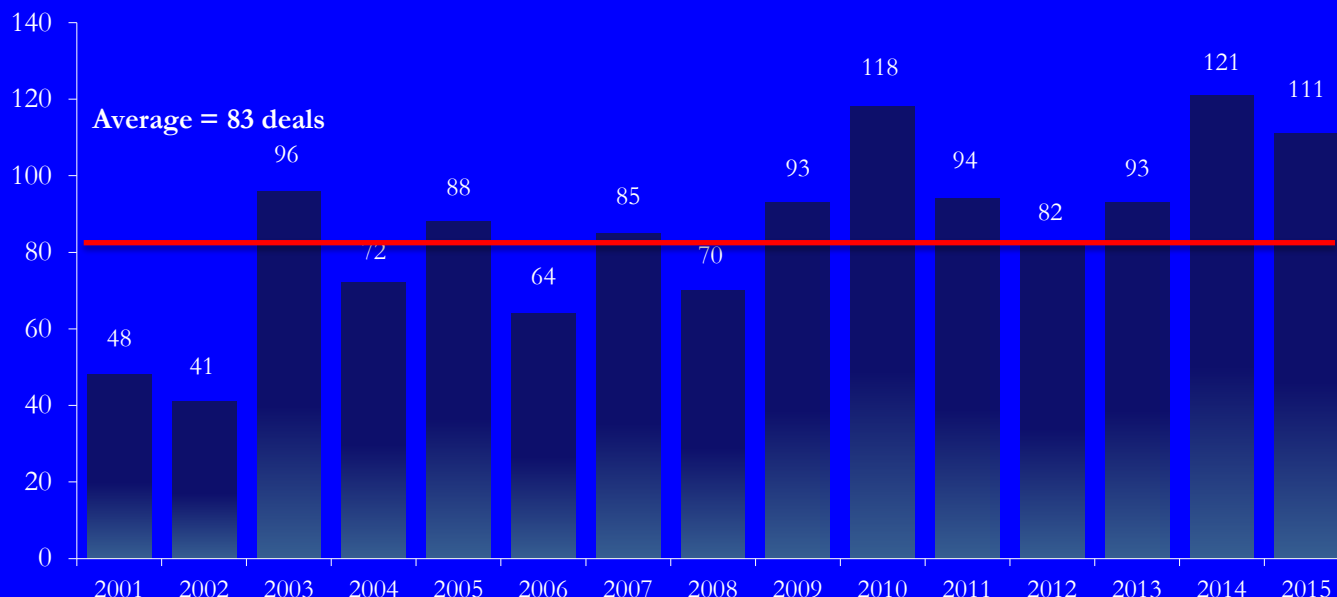


## Headline Deals

- ChemChina/KraussMaffei (Onex) - \$1.01bn
- Berkshire Partners and OMERS/Husky (Onex) - \$2.1bn
- Onex/Davis-Standard (Hamilton Robinson) - \$189mm
  - Davis-Standard (Onex)/Gloucester Engineering Co. (Blue Wolf Capital Partners)
- AuSable Capital Partners & Kingsbury Corp./Negri Bossi (Sacmi Group)
- CCMP Capital Advisors/Milacron (Avenue Capital Group)
  - Milacron (CCMP)/Mold-Masters (3i Group) - \$968mm; Industrial Machine Sales; Precise Plastics Machinery; Kortec (Ampersand Ventures)
  - Milacron (CCMP)/CanGen Holdings - \$22.5mm
  - Milacron (CCMP) completed an Initial Public Offering (MCRN)

## II. Segment Analysis – Supply Chain (Raw Materials)

### Resins, Colorants & Compounding Deal Activity

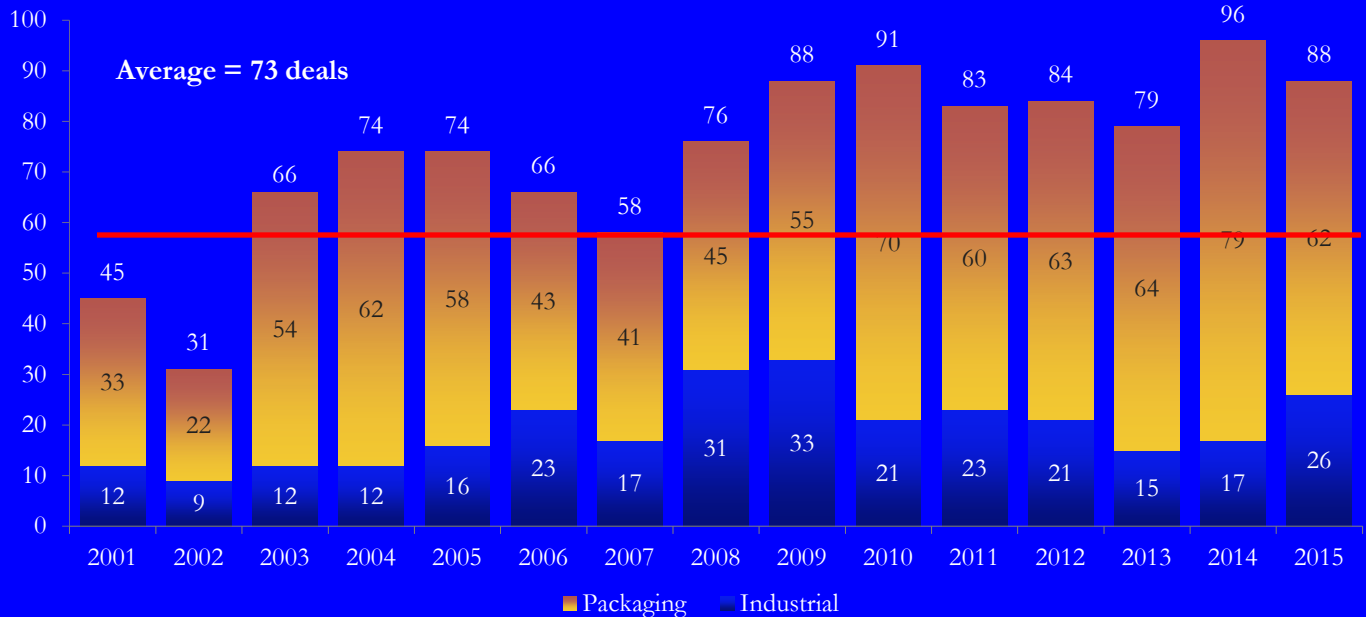


### Headline Deals

- DuPont/Dow Chemical - \$68.6bn
- W.L Ross Holdings/Nexeo (TPG Capital) - \$1.7bn
- SK Capital/Clariant AG's non-core operations - \$550mm
- PolyOne/ColorMatrix (Audax) - \$486mm
- Mexichem/PolyOne Corp.'s PVC resin assets - \$250mm
- Arsenal Capital has completed 15 RCC deals since 2012
- A. Schulman /Citadel Plastics (HGGC) - \$800mm

# II. Segment Analysis - Processors

## Film & Sheet Deal Activity (including flexible packaging and labels)



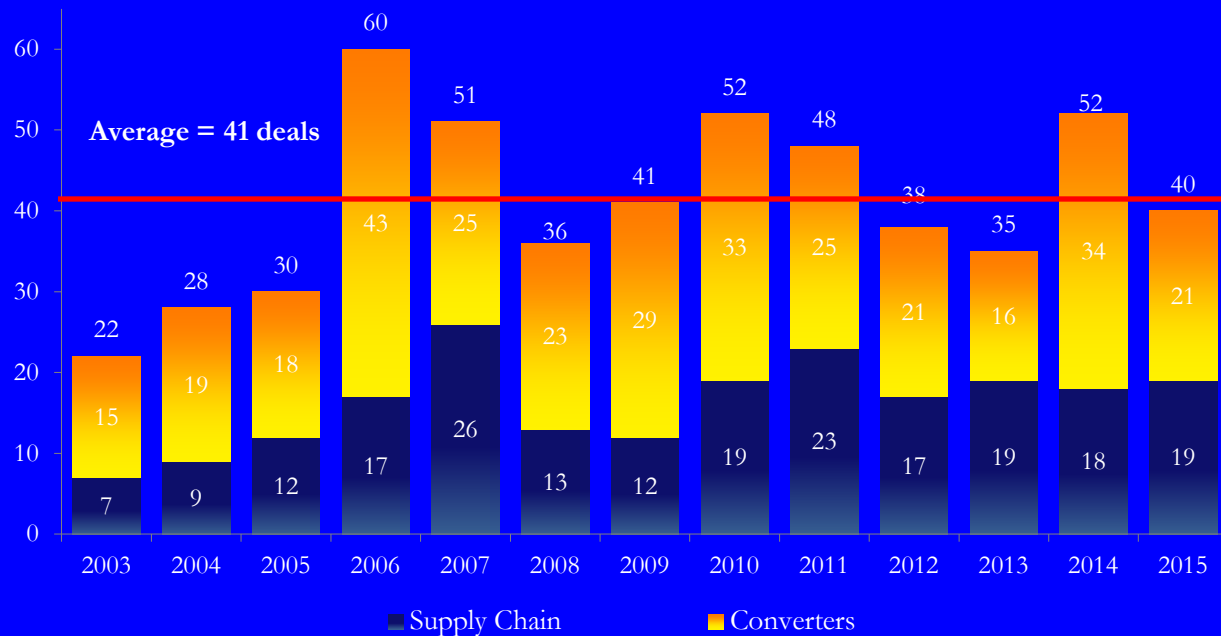
## Headline Deals

- Amcor/Deluxe Packaging - \$45mm
- Prolamina (Wellspring Capital Management)/Ampac Holdings (Prudential Capital Group)
  - ProAmpac (Wellspring Capital Management)/ CEI (Mason Wells)
- Novolex (Wind Point Partners)/Duro Bag Manufacturing Company; Packaging Dynamics; Wisconsin Film & Bag (Marquette Capital Partners)
- Transilwrap Company(The Jordan Company)/MetPro Group; Clear Focus Imaging
- TC Transcontinental Inc./Capri Packaging (Schreiber Foods Inc.) - \$133mm (7.8x EBITDA); Ultra Flex Packaging - \$80mm (6.7x EBITDA)
- Coveris (Sun Capital Partners)/Olefinas SA de CV
- Olympus Partners/Liqui-Box Holdings (The Sterling Group)

# II. Segment Analysis - Processors

## Labels

### Deal Activity

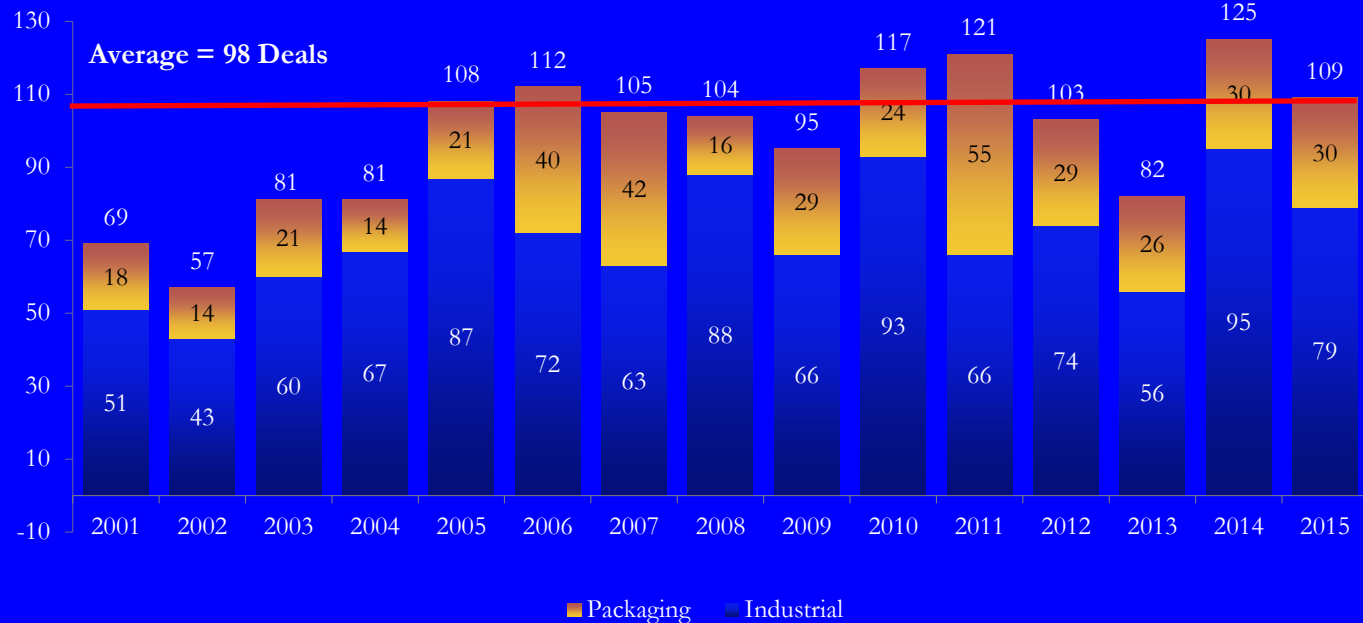


## Headline Deals

- Wendel Group/Constantia Flexibles GmbH (One Equity Partners) - \$2.8bn (9.0x EBITDA)
  - Constantia Flexibles GmbH(Wendel Group)/Spear Group; Pemara Labels; Afripack
- CCL Industries made five acquisitions in 2015
- Resource Label Group (First Atlantic Capital)/A1 Label; Taylor Made Labels
- Mason Wells/Advanced Web Technologies (PCM Companies)
- Platinum Equity/MACtac (Bemis)
- Coveris (Sun Capital Partners)/Supraplast SA

# II. Segment Analysis - Processors

## Injection Molding Deal Activity



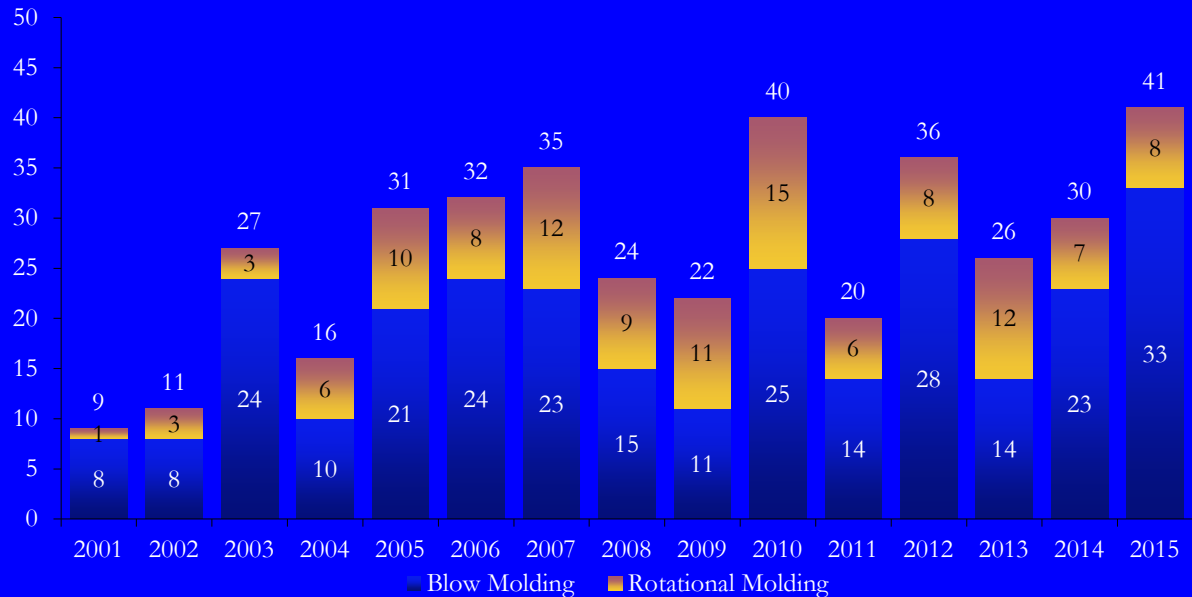
## Headline Deals

- Danaher/Pall - \$13.8bn
- RPC Group/Global Closure Systems (PAI Partners) - \$715mm
- Technimark (Pritzker)/Ci Medical Technologies
- TransDigm Group/Pexco aerospace business (Odyssey Partners) - \$496mm
- 3i Group/Weener Plastic Packaging Group (Lindsay Goldberg Vogel) - \$200mm
- NN Inc./Precision Engineered Products (The Jordan Company and Nautic Partners) - \$615mm
- Mason Wells/MGS



# II. Segment Analysis - Processors

## Blow Molding/ Rotational Molding Deal Activity



## Headline Deals

### Blow Molding

- Graham Partners/Paradigm Packaging (Linsalata Capital Partners)
- Genstar Capital LLC/ Pretium Packaging (Castle Harlan)
- Clayton, Dubilier & Rice LLC/ Mauser Group (Dubai International Capital) - \$1.7bn
- Oak Hill Capital/Berlin Packaging (Investcorp) - \$1.4bn [*distribution*]
- Bain Capital/Consolidated Container Company (Vestar) - \$775mm; Madras Packaging; Roffe Container; Envision Plastics Industries; Ecoplast Corp.
- Comar LLC (Graham Partners)/Convergence Packaging (Graham Partners)
- Plastipak Packaging Inc./APPE packaging division (La Seda de Barcelona) - \$448mm
  - Constar International Holdings LLC Assets - \$103mm

# II. Segment Analysis - Processors

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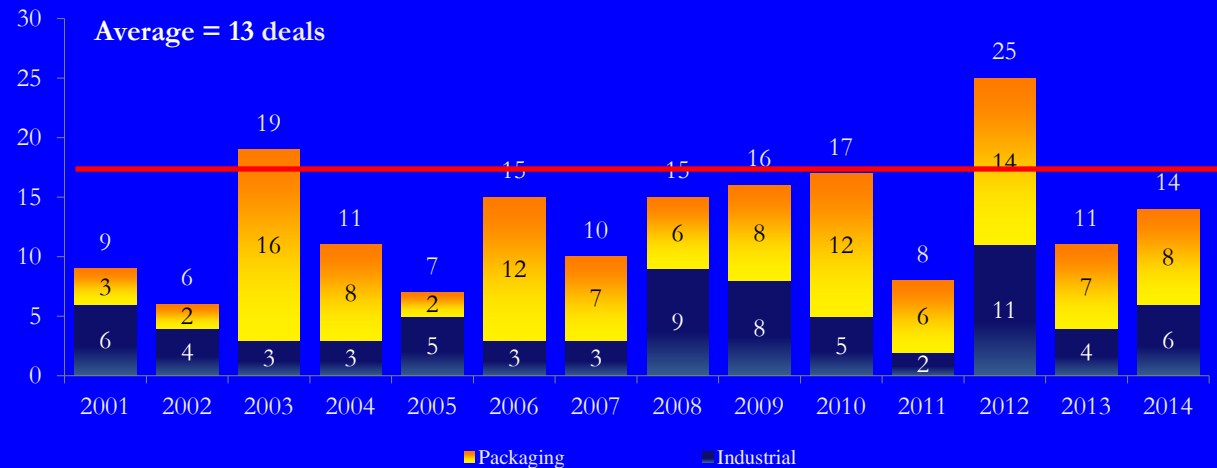
## Headline Deals

### Rotational Molding

- Grupo Rotoplas/Talsar S.A. - \$35mm (5.2x EBITDA)
- Rotoplast Inc./ ACO Container
- Littlejohn & Company/Playpower Inc. (Apollo Investment Co.)
- RPC Group/Promens Group AS (Landsbankinn hf) - \$497mm (6.8x EBITDA)
- Ares Capital/Step 2 Co. (Allied Capital/Liberty Partners)
- Squire Ridge Capital/Dutchland Plastics
- Leonard Green and Partners/Tank Holdings (Olympus Partners) - \$830mm
- MGA Entertainment/Little Tikes
- Behrman Capital/Pelican Products – Acquires Hardigg Industries in 2008 for \$200mm

# II. Segment Analysis - Processors

## Thermoforming Deal Activity

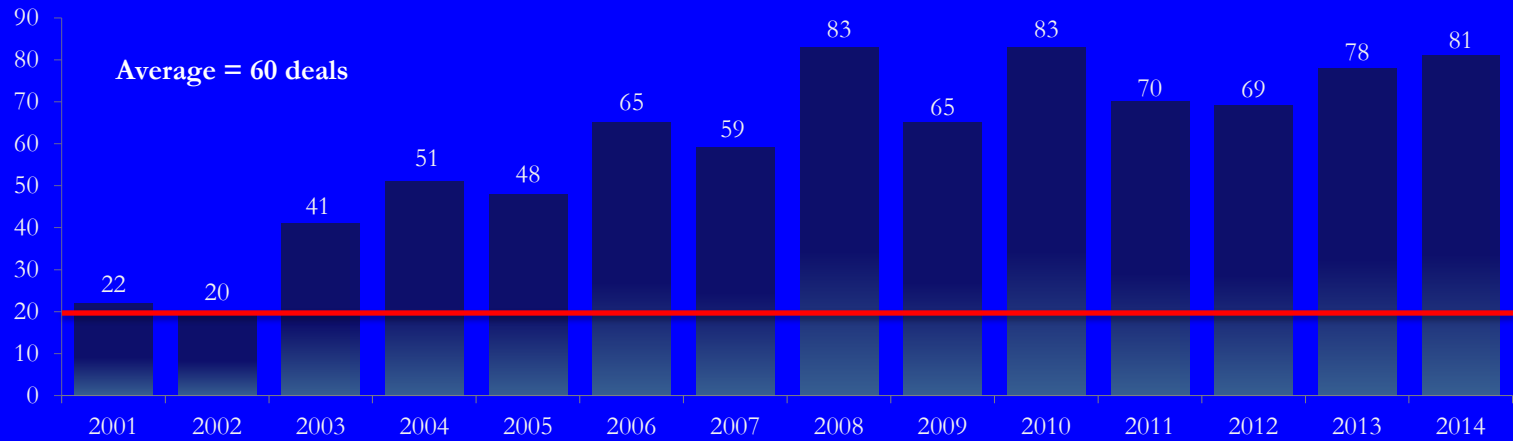


## Headline Deals

- Jarden/Waddington Group (Olympus) - \$1.35bn
- Newell Rubbermaid/Jarden – \$15.4bn
- American Securities/Tekni-Plex (Oak Tree Capital) – \$800mm
  - Four recent add-on acquisitions
- Dart Container/Solo Cup (Vestar) - \$1bn
- Strategic Value Partners/85% stake in Linpac Packaging Ltd (Montagu Private Equity) - \$304mm
- Mason Wells/Nelipak; Flexpack (add-on)

## II. Segment Analysis - Processors

### Pipe, Profile, & Tube Extrusion Deal Activity

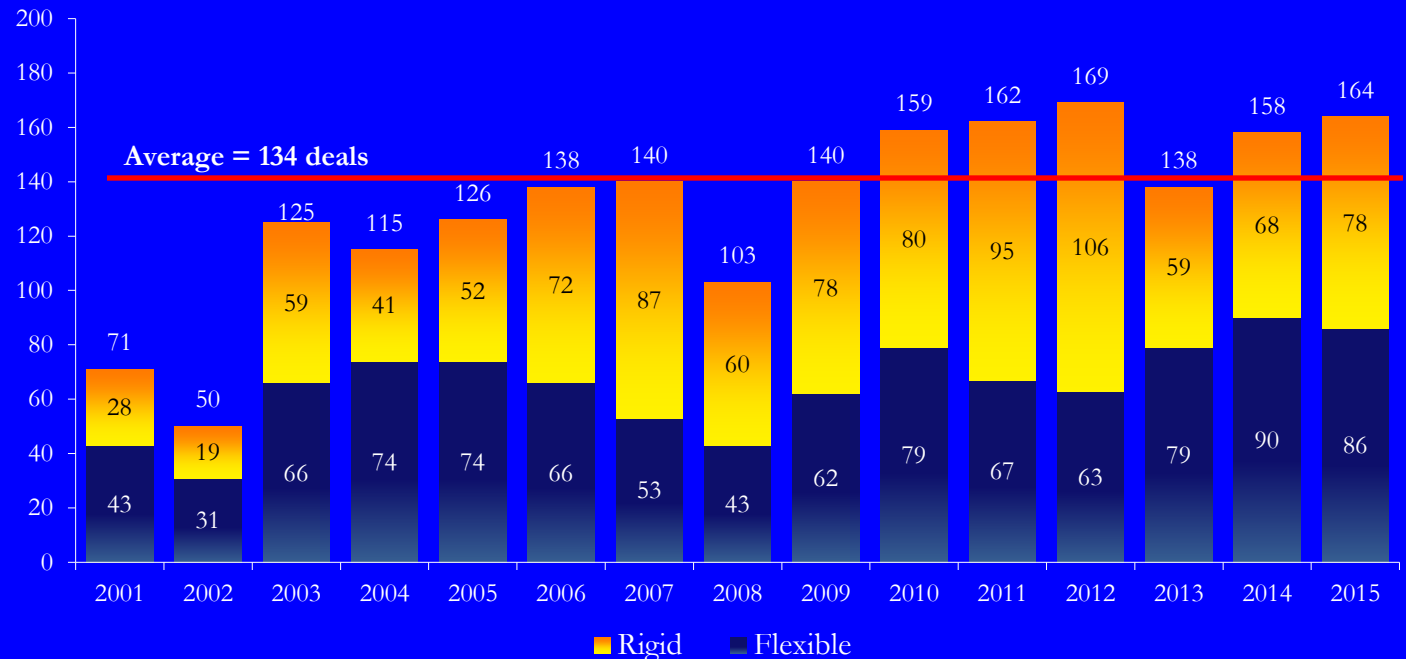


### Headline Deals

- Kingspan Group plc/Joris Ide Group (Steel Partners NV) - \$356mm (8.75x EBITDA)
- Ply Gem Industries/Simonton Windows (Fortune Brands) - \$130mm (10.0x EBITDA)
  - IPO in 2013 - \$332mm
- Advanced Drainage Systems/IPO (2014)
  - Inlet & Pipe Protection Inc.; BaySaver Technologies; Quality Culvert; Intel & Pipe Protection
- Westlake Chemical Corp./Vinnolit Holdings (Advent International) - \$666mm

## II. Segment Analysis – Key End Market (Packaging)

### Plastic Packaging Deal Activity



### Trends

- Rigid and Flexible both active areas in M&A
- Rigid 61% of last five years, flexible 39% of last five years

## II. Segment Analysis – Case Studies



Year	Activity	Total
1988	Acquired Gilbert Plastics	1
1990	Acquired by First Atlantic Capital	1
1992	Acquired the Mammoth Containers division of Genpak Corporation and added Mammoth's Iowa Falls, Iowa facility to the company	1
1995	Acquired Alpha Packaging; acquired Sterling Products, Inc.	2
1996	Acquired majority assets of Tri-Plas Inc.	1
1997	Acquired Packerware; acquired all the assets of Container Industries, Inc.; acquired Venture Packaging, Inc.; acquired Virginia Design Packaging Corporation of Suffolk	4
1998	Completed its first international acquisition, Norwich Injection Moulders Ltd.; acquired Knight Engineering and Plastics, a division of Courtaulds Packaging, Inc.	2
1999	Acquired Cardinal Packaging; acquired the dairy closures product line of Clayton Corporation	2
2000	Acquired Poly-Seal Corporation; acquired by GS Capital Partners 2000, L.P.	2
2001	Acquired Pescor Plastics, Inc.	1
2002	Acquired the Alcoa Flexible Packaging injection molding assets of Mount Vernon Plastics Corporation	1

## II. Segment Analysis – Case Studies



Year	Activity	Total
2003	Acquired the 400 Series continuous threaded injection molded closure assets from CCL Plastic Packaging; acquired Landis Plastics for \$228 million (6.5x adjusted EBITDA)	2
2005	Acquired Kerr Group, Inc. (Fremont Partners) for \$445 million (EBITDA multiple 7.4x); acquired the closure assets of Mexican molder Euromex Plastics SA de CV	2
2006	Apollo Management L.P. and Graham Partners, Inc. acquired Berry Plastics Corporation from CCMP Capital Advisors and Goldman Sachs Capital Partners for \$2.25 billion	1
2007	Acquired Rollpak Corporation; merged with Covalence Specialty Materials	2
2008	Acquired Captive Plastics; acquired assets of Erie Plastics	2
2009	Acquired Superfos Packaging, Inc.; acquired Pliant Corporation	2
2011	Acquired Filmco's PVC packaging business; acquired Rexam's specialty and beverage closures business	2
2012	Berry Plastics completed an IPO, with enterprise value over \$5 billion; acquired STOPAQ	2
2013	Acquired flexible plastics and film business from Graphic Packaging Holding Co.; divested its Corry, PA plant to Corry Area Industrial Corp. for \$2.7 million; sold its "Kits and Catering" division to Waddington Group Inc. WNA Division (Olympus Partners)	3
2014	Acquired Rexam's healthcare containers and closures business; acquired a 75% interest in Qingdao P&B	2
2015	Acquired AVINTIV from Blackstone for \$2.45 billion (8.1x EBITDA)	1
<b>Total</b>		<b>39</b>

## II. Segment Analysis – Case Studies



Year	Activity	Total
2001	Acquired International Paper's flexible packaging business to form Exopack (Sterling Group)	1
2003	Acquired Plassein International (Trivest)	1
2005	Sun Capital Partners acquired Exopack in merger with Cello-Foil Products, Inc. and The Packaging Group	1
2007	Acquired film divisions from InteliCoat and DuPont Liquid Packaging Systems	2
2010	Acquired the former Alcan Cheese and Meat assets	1
2011	Completed recapitalization - \$660 million (Sales ~\$880 million)	1
2013	Exopack, Kobusch Group, Britton Group, Paragon Print & Packaging Group, PACCOR, and InteliCoat: Combined under Exopack Holdings Sarl; Exopack Holdings Sarl changed name to Coveris	5
2014	Acquired KubeTech Custom Molding, St. Neots Packaging Ltd., and Learoyd Packaging	3
2015	Acquired Olefinas and Elldex Packaging Solutions; Coveris Sales ~\$2.8 billion	2
2016	Acquired Supraplast S.A. (Blaigne & Co. transaction)	1
<b>Total</b>		<b>18</b>



## II. Segment Analysis – Case Studies

### ➤ Successful Consolidation: Case Study V



Year	Activity	Total
1991	Acquired Union Carbide Canadian films business	1
1992	Acquired Great Eastern Plastics	1
1994	Acquired South Eastern Plastics	1
1996	Acquired Essex Plastics	1
1998	Acquired Biostar Films, Bio Industries, and Aargus Plastics	3
1999	Acquired Roll Pak U.S. stretch film business	1
2000	Acquired Poly Plastic Products	1
2003	Acquired Apple Plastics, Orange Plastics	2
2004	Acquired Mid-Atlantic Bag, FlexSol NC plant, Republic Bag, Target Plastics	2
2005	Acquired PCL Packaging Coastal Division, Filmtech	1
2006	Acquired Mercury Plastics	1
2007	Acquired Allied Extruders	1
2009	Acquired ISO Poly Films, Santa Fe Extruders, and FlexSol	3
2010	Acquired McNeely Plastics	1
2012	Acquired Coast Poly Corp	1
2013	Acquired Fordham Poly-Pak's laundry and dry cleaning division; Acquired Southern Film Extruders Ltd.	2
2014	Acquired Excelsior Packaging Group	1
2015	Acquired Tara Plastics Corp. through Blaige & Co.	1
<b>Total</b>		<b>25</b>

## II. Segment Analysis – Case Studies

### ➤ Successful Flexible Packaging Consolidation: Case Study II



Year	Activity	Total
2006	(~750 million Sales)	
2007	Acquired PCL Packaging assets (2 plants)	1
2008	Acquired PCL Packaging assets (1 plant)	1
2010	Acquired Speci-Gard from S. Walter/Brynwood Partners through Blaige & Co.	1
2011	Acquired Hartman Plastics, Vifan, Pinnacle Films; Acquired Niaflex (Nina Plastics) through Blaige & Co.	4
2012	Acquired Pitt Plastics, ITW's Minigrip, Fitzpak, and P&O Packaging	4
2013	Acquired Trinity Packaging assets (2 plants)	1
2014	Affiliate Medira Inc. acquired Medegen Medical Products LLC	1
2015	Acquired Haremar Plastic Manufacturing and El-En Packaging; Acquired Danafilms plant from RKW	2
<b>Total</b>		<b>15</b>

## II. Segment Analysis – Case Studies

### ➤ Successful Flexible Packaging Consolidation: Case Study II



Year	Activity	Total
2006	Acquired Trakia Papir (Constantia Flexible Packaging Sales ~\$766 million)	1
2007	Acquired Pirk; Divested Fundermax, Falco, and Sprela businesses to Kronospan Holding	4
2008	Spun off Multifilm Packaging subsidiary in a management buyout (Blaigne & Co. transaction)	1
2009	Acquired ASAS; One Equity Partners acquired a majority stake in Constantia Flexibles for €420 million	2
2010	Acquired Tobepal (Spain)	1
2013	Acquired Global Packaging Corp. (Mexico), Spear Group (U.S.), and Parikh Packaging (India)	3
2015	Acquired by Wendel Group for \$2.8 billion; Acquired Afripack; Wendel sold an 11% stake in Constantia Flexibles to Maxburg Capital Partners; Acquired Pemara Labels Group	4
<b>Total</b>		<b>16</b>

### **III. Big Getting Bigger, Widening the “Gap”**

# III. Big Getting Bigger, Widening the “Gap”

- **Summary:** 63% of 2001’s Top 50 Plastics Processors have Merged or Sold (compared to only 55% as of 2010)

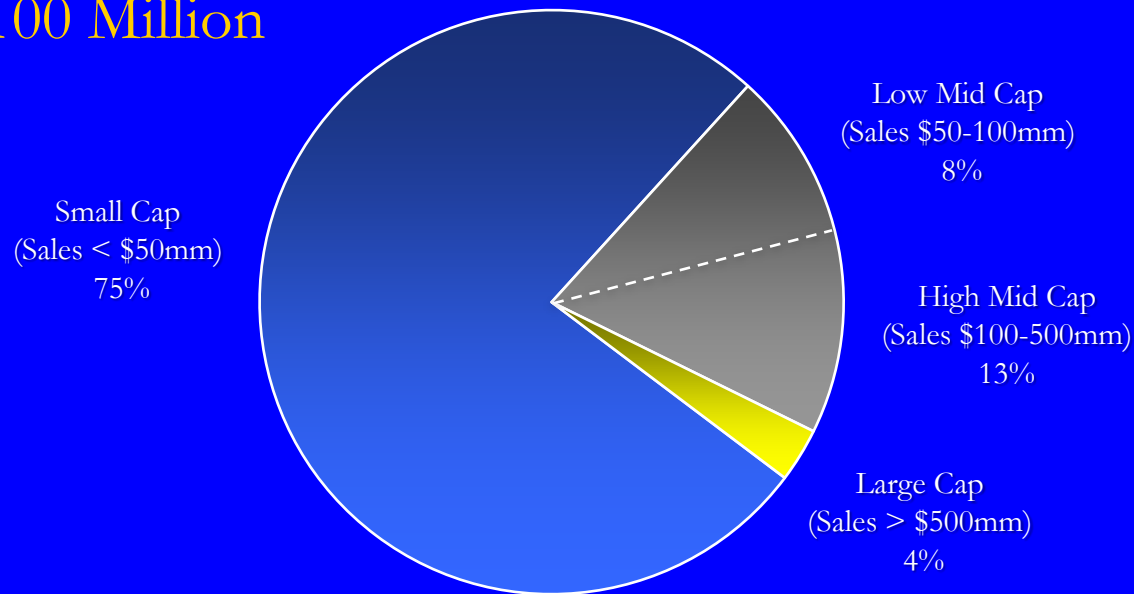
Access to Capital: Provides a Size Advantage (2.6 times Larger)

**44% Eliminated; 19% Changed Ownership; 63% Merged/Sold**

Consolidation of 2001's Top 50 Companies 2015 vs. 2010				
Sector	Eliminated	Sold	Total	Total (2010)
Blow Molding	52%	24%	76%	62%
Injection Molding	60%	10%	70%	68%
Pipe, Profile & Tubing	38%	28%	66%	58%
Film & Sheet	50%	14%	64%	54%
Thermoforming	50%	12%	62%	56%
Adhesives & Sealants	18%	22%	40%	38%
Labels	42%	22%	64%	52%
Rotational Molding	12%	36%	48%	38%
<b>Average</b>	<b>44%</b>	<b>19%</b>	<b>63%</b>	<b>55%</b>

### III. Big Getting Bigger, Widening the “Gap”

- **Leaders:** 63% of 2001’s Top 50 U.S. Companies Have Merged or Sold; Consolidation Active Across All Segments
- **Small Fighting Harder:** 75% of Plastics Processors Have Sales of Under \$50 Million, While Approximately 83% Have Sales Under \$100 Million

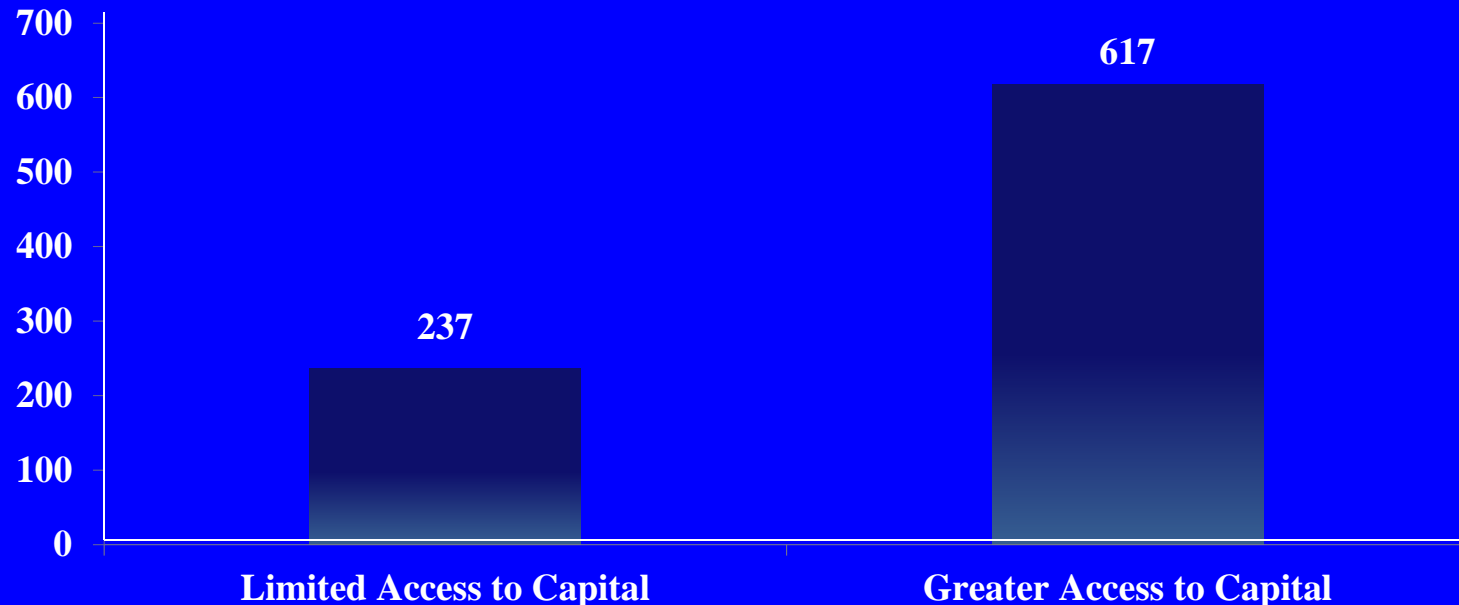


- Size advantage of particular importance to plastics processors due to significant resin purchasing economies and advantages

# III. Big Getting Bigger, Widening the “Gap”

- Access to Capital: Provides a Size Advantage (2.6 times Larger)

Consolidation Survivors – Benefit of Capital Access (millions)



# III. Big Getting Bigger, Widening the “Gap”

## ➤ Hierarchy: Leaders, Followers & Others

Top Consolidators (“Leaders”)	Static Participants (“Others”)	Consolidatees (“Followers”)
<ul style="list-style-type: none"><li>• 10-20% of universe</li><li>• <i>Rapidly gaining share</i></li><li>• Aggressive acquisitions and divestitures</li><li>• <i>Market domination via best acquisitions, selective divestitures</i></li></ul>	<ul style="list-style-type: none"><li>• 60-80% of universe</li><li>• <i>Share erosion</i></li><li>• Mergers and selective acquisitions</li><li>• <i>Pursue niche leadership</i></li></ul>	<ul style="list-style-type: none"><li>• 10-20% of universe</li><li>• <i>Rapidly losing share</i></li><li>• Restructuring and divestitures</li><li>• <i>Sell at maximum Price</i></li></ul>





## **IV. M&A Market – Top of the Cycle**

# IV. M&A Market – Top of the Cycle

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## Overview – Supporting Market Indicators

### 1. Financial and M&A markets confirm cyclical peak in 2015

- M&A Market is currently at its 7<sup>th</sup> cyclical peak since 1895
- S&P 500 currently at 4<sup>th</sup> cyclical peak since 1980
- Plastics M&A market 25% above 15 year average

### 2. Open Capital Markets – Acquisition financing and capital availability.

### 3. Valuation Multiples Back to 2008 Levels - Valuation multiples at record setting highs.

### 4. Smart Money Locking in Gains – Private equity firms are taking advantage of the seller's market to maximize returns on investments.

# IV. M&A Market – Top of the Cycle

## Top of M&A Cycle

As shown in the chart below, the average duration of an M&A upcycle is 6 years. We are currently at the peak of the current cycle (7th year) and anyone contemplating a strategic sale must act immediately in order to take advantage of the seller's market.

### M&A Cycles (1895 – Present)

	Period		Duration (years)	M&A Wave Rationale
Cycle 1	1895	1904	9	<i>horizontal mergers, monopolies</i>
Cycle 2	1925	1929	4	<i>vertical intergration mergers, oligopolies</i>
Cycle 3	1965	1970	5	<i>conglomeration</i>
Cycle 4	1981	1987	6	<i>hostile takeovers, leveraged buyouts</i>
Cycle 5	1992	2000	8	<i>strategic buyers, tech bubble</i>
Cycle 6	2004	2007	3	<i>easy lending, financial buyers, reallocations</i>
Cycle 7	2009	2016	7	<i>restructurings, strategic sales, leveraged buyouts</i>
<b>Average:</b>			<b>6</b>	

# IV. M&A Market – Top of the Cycle

## Market Timing – Stock Market

M&A cycles have a strong correlation with the stock market. The following chart shows the S&P 500 index from 1980 to present. As can be seen in the chart, for the past three decades, M&A upcycles have mirrored upcycles in the stock market.

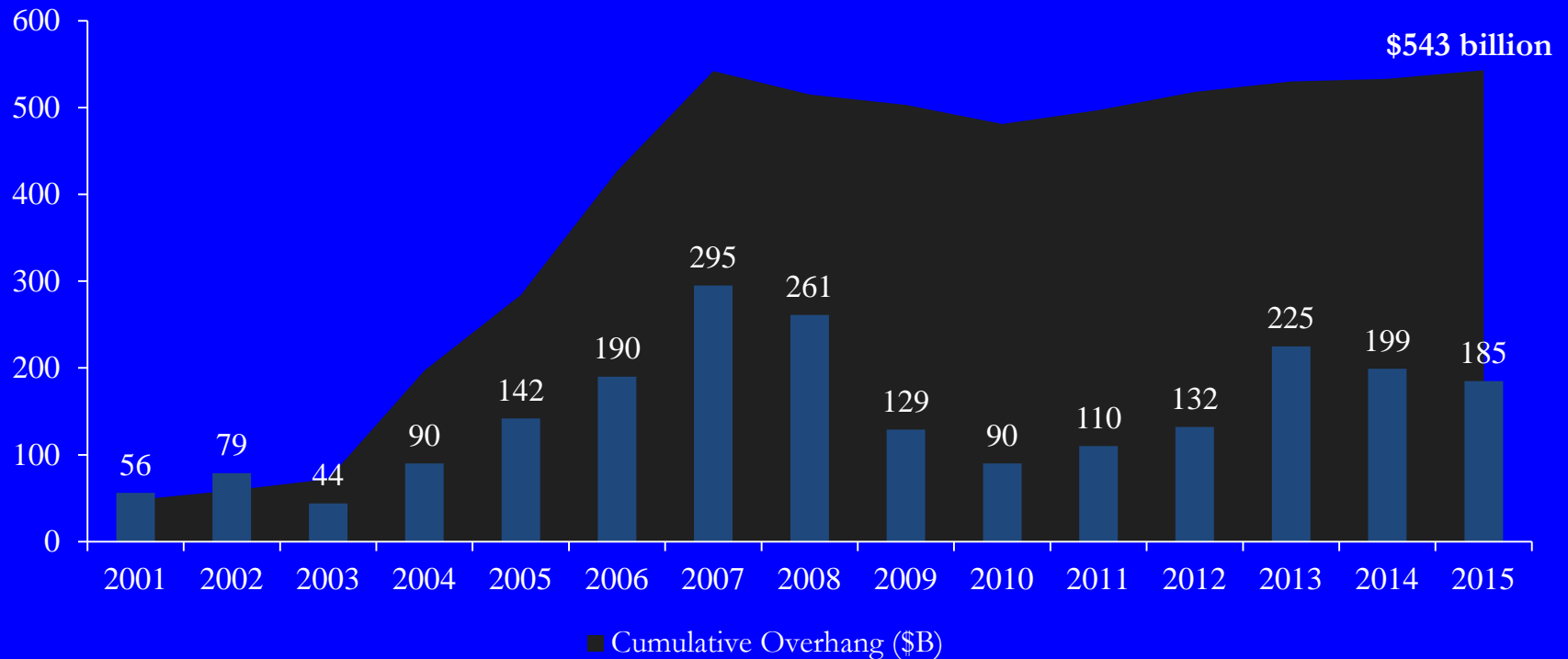
### S&P 500 (1980 – Present)



# IV. M&A Market – Top of the Cycle

- Capital Availability: Overhang shows tenfold increase

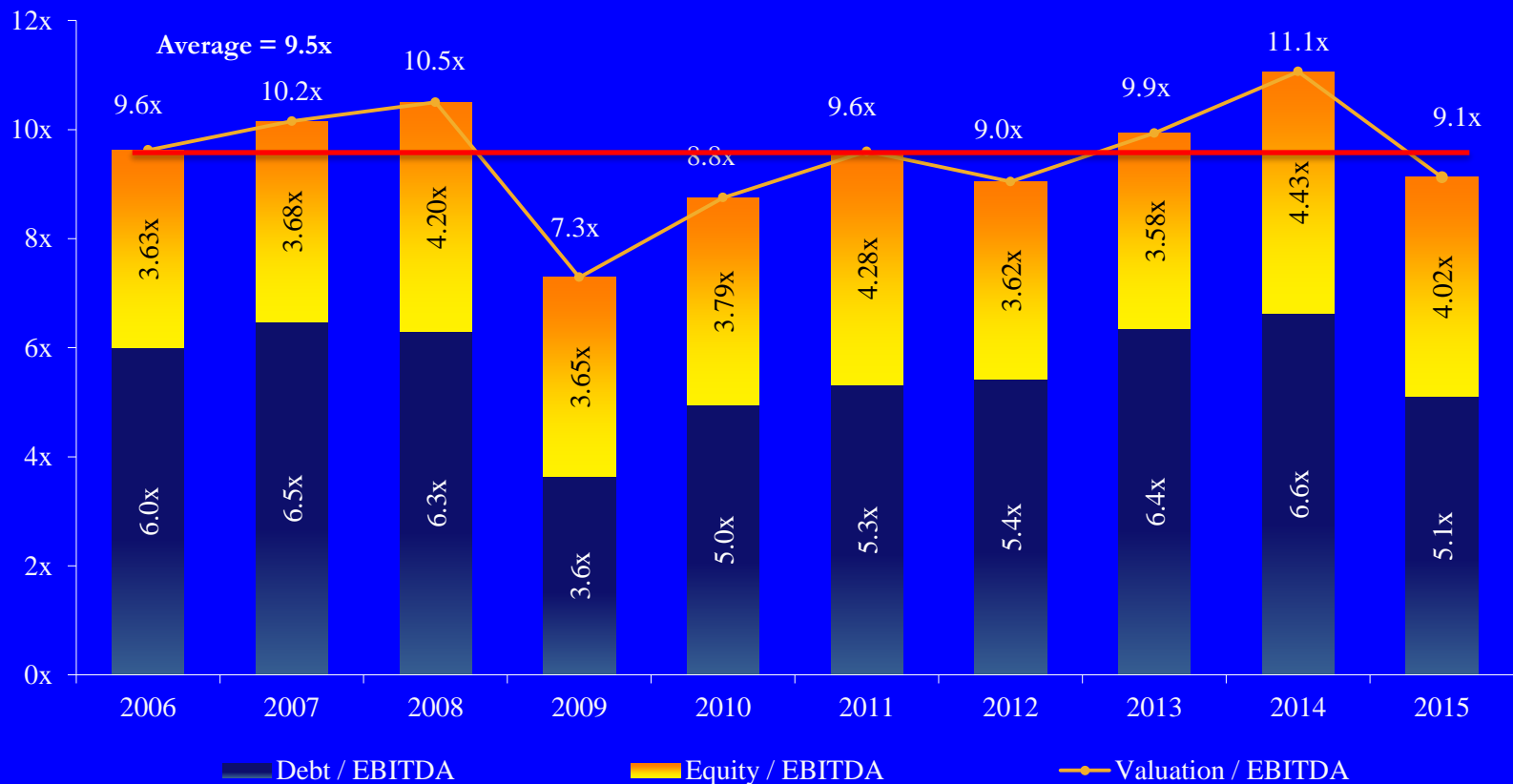
## Private Equity Overhang



# IV. M&A Market – Top of the Cycle

- **Sellers' Market:** Valuation multiples are back to near record levels, Valuation multiples average: 9.5x EBITDA

## Private Equity Buyout Purchase Price Multiples (Deal Size/EBITDA)



# IV. M&A Market – Top of the Cycle

➤ “Smart Money”: Locking in Gains

## Private Equity Exits at Record Levels



# **V. Recommendations to Plastics Processors & Conclusion**



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- **Plastic Processors Are Advised to Aspire to \$100 Million or Greater Level (Top 17% of Universe)**
- **“Institutional Practices” Mandatory for Small/Mid-Size Players to Access Financing and M&A Markets**
- **Timing and Preparation are Everything**
- **Blaige is the Natural Partner for Your Success**

*Please Note: Blaige Fifteen Year Plastics & Packaging M&A Consolidation Study (2001-2015) is Now Available for Purchase.*

# Appendix

# Proprietary Research

Blaige & Co.'s proprietary global plastics M&A deal research encompasses over 3,500 transactions since 2000 and is the industry standard providing its bankers and clients with a unique perspective on the plastics and packaging M&A markets. This is complemented with segment-specific research within various plastics and packaging niches.

- Blaige & Co. invests significant time and resources to ensure full and accurate coverage of global M&A transactions – no other investment bank or research firm comes close to providing this intensity of research.
- Over a decade of researching plastics transactions, Blaige & Co. has refined its research processes to provide comparable data.

**No other source commands this level of detail and completeness.**

The collage displays four sample documents from Blaige & Company:

- Top Right:** A yellow press release titled "Global Fiber, Metal, & Glass Packaging M&A Remains Active".
- Middle Right:** A yellow press release titled "2008 Label Transaction Volume More Than Double 2003 Level".
- Bottom Left:** A white market study titled "2008 Plastics deal briefing: six-year market study". It features a bar chart titled "Global Plastics M&A Volume (in US\$ Trillions) 2001 - 2007" showing a steady increase from approximately \$110 billion in 2001 to \$410 billion in 2007. A callout box indicates a "Compound Annual Growth Rate of 10%".
- Bottom Right:** A white market study titled "Increase their Presence in Label". It includes a pie chart showing the "Market of U.S. Labels 2003 - 2007" with segments for "Other U.S.", "Europe", "Asia", and "Latin America".

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## Pure Focus: Extensive Market Presence

Blaige & Company has spent years developing the industry's leading contact database, including over 5,000 industry contacts (90% with email), insuring rapid execution. We have executed transactions on behalf of or with over 75 private equity firms, including the following:

ADF Capital Partners, LLC  
Ampersand Ventures  
Argosy Partners  
Arsenal Capital  
Azalea Capital, LLC  
Banc One Venture Corp.  
Bank of America Capital Investors  
Behrman Capital  
Birch Hill Equity Partners  
Blackstone Group  
Blue Point Capital Partners  
Brynwood Partners  
Candover Investments PLC (UK)  
Calvert Street Capital Partners  
Capital for Business  
CapitalSouth Partners  
Cerberus Capital Management  
Chase Franklin Capital  
CIGNA Investments  
Cinven AG (Germany)  
CIT Equity Investors  
Code Hennessy & Simmons, Inc.  
Cordova Capital Ventures  
Cornerstone Investors  
Cravey Green & Whalen LLC  
Crescent Private Capital

Diamond Castle Holdings  
Falcon Investment Advisors  
Field Ventures LLC  
First Capital Partners  
Florida Capital Partners  
Foray Group (Canada)  
G.L. Ohrstrom & Co.  
Goense Bounds & Partners  
Graham Partners  
Group One Capital  
Harbert Management Corporation  
Hicks Muse Tate & Furst/Stratford  
Heritage Partners  
Hubbard Street Capital  
Huntington National  
Industrial Capital Group  
J.H. Whitney & Company, Inc.  
JP Morgan Partners  
Kelso & Co.  
KW Capital Southwest, LTD  
LaSalle Capital Group LLC  
Laud Collier & Company  
Magna Capital  
Madison Dearborn Partners  
Marquette Capital Partners  
MCG Capital Partners

Merit Capital Partners  
Metalmark Capital  
Midwest Mezzanine Funds  
Montgomery Shelton & Co.  
North American Funds  
Pegasus Capital Group  
Pfingsten Partners LLC  
Pinecrest Capital, Inc.  
Prairie Capital Partners LLC  
Prospect Partners  
Prudential Capital Corporation  
Raymond James Capital  
Red Diamond Capital  
Ridge Capital Partners LLC  
Spell Capital Partners  
Stonehenge Partners, Inc.  
Sun Capital Partners, Inc.  
Tech Investments, LLC  
Tricor Pacific Capital (Canada)  
Trivest Inc.  
Trust Company of the West  
Tuckerman Capital  
Vaxa Capital Partners, LLC  
Wellspring Capital Partners, Inc.  
William Blair Capital  
Wind Point Partners  
Zynik Capital (Canada)

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## Pure Focus: A Unique Resource for its Clients



### Thomas E. Blaigne, Chairman & Chief Executive Officer

Tom established Blaigne & Company, an international investment banking firm dedicated exclusively to the plastics, packaging and chemicals industries. He has 30 years of transaction experience, having completed over 200 transactions and visited over 150 plastics, packaging, and chemicals operations in all parts of the world. Blaigne & Company's proprietary research department tracks and analyzes over 400 plastics industry M&A transactions annually on a worldwide basis.

Mr. Blaigne's transactions experience includes: strategic combinations with large global consolidators; the sale, acquisition and recapitalization of family owned companies and corporate divisions; corporate divestiture and spin-off transactions; and private equity portfolio divestitures and acquisitions. Prior to founding Blaigne & Company in 2003, over the past two decades he was a leading senior transaction professional with Lazard Middle Market, Lincoln International and a middle market M&A unit of a Wall Street investment bank. He was also a private equity investor with Prudential Capital Group where he specialized in management buyouts and buildups of privately held businesses and corporate divisions and worked with several early pioneers in LBO finance.

Mr. Blaigne was the 2015 segment focused CEO of the year named by Acquisitions International Magazine. He is also a member of the Association for Corporate Growth and the Turnaround Management Association. Tom earned a Master of Management degree, with *Distinction*, from the Kellogg Graduate School of Management at Northwestern University, where he was elected to Beta Gamma Sigma, and a Bachelor of Business Administration degree from Loyola University of Chicago. He has been certified as a FINRA Series 24 Securities Principal, and a Series 7 and 63 Registered Representative.

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## Pure Focus: A Unique Resource for its Clients



### Edwin W. Parkinson, Senior Executive Advisor

Prior to his current position as Senior Executive Advisor, Ed served as President of Blaigne & Company for 6 years. Ed has over 30 years of experience in the plastics, packaging, and chemicals industries, including several senior management positions, as well as extensive experience in strategic acquisitions and divestitures worldwide. Ed completed a five-year term on the board of directors of Sencorp, a leading producer of packaging equipment owned by private equity sponsor Management Capital, as well as multiple other board memberships. Ed has had management responsibility for operations located in the U.S., Europe, Mexico and Puerto Rico.

Ed has a history of quickly and effectively creating value through managing middle market companies on behalf of professional investors. His experiences at the firms below are indicative of his unique capabilities:

- **Amrep, Inc.** (*Blue Point Capital Partners & MCM Capital Partners portfolio company*) – Ed became President & CEO of this leading US producer of janitorial/sanitation and automotive chemicals in 2004 and completed a strategic repositioning of the company.
- **Alloyd, Inc.** (*Wind Point Partners portfolio company*) – Ed joined as Chairman & CEO of this leading North American company involved in sales of system solutions (razor/razor blade) with blister packaging together with blister package sealing equipment where he doubled profitability in a 3 year period. He divested its calendaring operation to Klöckner Pentaplast and subsequently sold the entire company to SCA/Tuscarora (Sweden) in a \$100 million cross-border strategic transaction.
- **Avborne, Inc.** (*Trivest Partners portfolio company*) – Ed was President & CEO of this leading aircraft heavy maintenance and accessory services provider on the Miami airport property.
- **Viasystems, Inc.** (*Hicks, Muse, Tate and Furst portfolio company*) – Ed held the post of President, Viasystems Europe, based in London, and completed several acquisitions in Europe with this global printed circuit board and contract manufacturing company.

Ed earned a Bachelor of Science in Marketing from The Pennsylvania State University.

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## Pure Focus: A Unique Resource for its Clients



### William B. Brashears, Executive Advisor

Ben has over forty years of experience in the plastics, packaging and chemicals markets, including a long history with P&O Packaging. He most recently served as the President, CEO, and Director for P&O, a leading producer of co-extruded converter and protective packaging film located in Dalton, Georgia. Ben acquired P&O Packaging with the backing of Pinecrest Capital in 1998 and subsequently sold it to Viapack, Inc. in 2007, a portfolio company of Red Diamond Capital (an affiliate of Mitsubishi International). During his ownership of P&O, Ben achieved ten years of consecutive top line growth and more than doubled profitability.

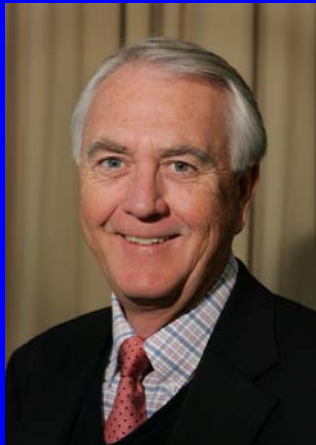
Blaige & Company advised Pinecrest Capital and P&O on the sale to Red Diamond Capital.

Previously, Ben served as founder and partner of Engineered Films Corporation, which he sold in the late 1980's to Atlantis Plastics, a portfolio company of Trivest Partners. Prior to Engineered Films Corporation, he spent approximately 20 years with Dow Chemical Company in packaging materials technology process engineering and marketing.

Ben holds a Bachelor of Science degree in Chemistry and Mathematics from Texas Tech University.

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## Pure Focus: A Unique Resource for its Clients



### Clas M. Nilstoft, Executive Advisor

Clas brings a long record of achievements in the plastics, packaging and chemicals markets. Serving as an Executive Advisor, he brings particular insights in marketing, operations, and deal dynamics that provide support throughout the transaction process for the firm's clients.

Clas has over thirty years experience in consumer packaging and plastic industrial products as well as chemicals and adhesives. His key experiences were at ITW and Rexam, where he managed business units ranging from \$35 to \$200 million in revenues, with the distinction of achieving sustained, double-digit organic growth in profits and sales. Clas has been responsible for establishing new businesses, as well as acquiring, integrating, and consolidating operations in global markets. Over the years, Clas has gained first-hand knowledge of plastics manufacturing as a tool apprentice in Sweden, a financial analyst, a product manager, and as a CEO. Clas is President and CEO of Nelipak Healthcare Packaging, a current board member of Oliver Products and a former board member of thermoformer Creative Forming, a portfolio company of Mason Wells

As an entrepreneur, Clas successfully acquired Walboro and developed it into Nortec Precision Plastics, which he subsequently sold to Cambridge Industries (now Meridian). Clas has been involved in 22 acquisitions, 10 joint ventures, and 12 divestitures. Other transaction highlights include:

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#### **For Carborundum/BP**

Acquisition of Astrel (from 3M)

Acquisition of Dielectix (from DuPont)

JV with Sumitomo Chemical

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#### **For ITW**

Acquisition of Devcon

Acquisition of DuPont Adhesives Division

Sale of Eclipse Division

Sale of Pine Bluff Drill Division

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#### **For Rexam PLC**

Acquisition of Plasticos Dumex

Divestitures of 4 molding operations

Development of Chinese Subsidiary

Clas earned a Masters of Business Administration from American University and has completed Executive Programs at both Northwestern University and the University of Michigan.



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## Pure Focus: A Unique Resource for its Clients



### Randall S. Barko, Executive Advisor

Randy has more than 25 years of operating and board experience with Nypro, Inc. and Hallmark Plastics. Randy retired in 2006 after 25 successful years at Nypro Inc. where he was Corporate VP of Mergers and Acquisitions, President & CEO of the Nypro Medical Products Group, and Chairman of NP Medical Inc. Randy also served as Corporate VP of Marketing, Sales and Business Development and was instrumental in enabling Nypro to grow from \$40 million to over \$800 million in sales globally. Prior to Nypro, Mr. Barko held senior management positions at Hallmark Plastics in Buffalo, New York and Peninsula Plastics in Erie, Pennsylvania.

After Nypro Randy led the M&A effort for the medical segment of publicly traded Flextronics as Vice President of Corporate Development. He currently serves as President & CEO of Ximedica. Randy is a graduate of the University of Notre Dame and has completed executive leadership programs at Duke

University Fuqua Business School, Dartmouth College Amos Tuck Business School, University of Limerick Ireland, Central European University Hungary, and The National University of Singapore.

Randy currently serves as a board member/advisor to the following companies:

- Precision Engineered Products, LLC (*Nautic Partners*)
- Optimum Technology Group, Ltd.
- Parkinson Technologies (*Thorsen LLC*)
- Parkway Products, Inc. (*Oxford Financial Group*)
- Quickparts.com, Inc. (*Frontier Capital*)

Randy has also served as an advisor to a number of private equity portfolio companies including: Vaupell (HIG Capital), Thermotech (Audax Group), and DynaPlast Ltd. (CAI Private Equity).

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