

## **Flacks Group Acquires Kelly-Moore Paint Company**

Purchase includes 157 retail stores across California, Nevada, Texas and Oklahoma and manufacturing facilities in Hurst, Texas

For distribution September 29, 2022

MIAMI – Flacks Group, a global investment firm based in the U.S., today announced it has acquired Kelly-Moore Paint Company, a leading manufacturer and retailer of premium paints and coatings in the U.S. Financial terms of the transaction were not disclosed.

Founded in San Carlos, California, in 1946, Kelly-Moore Paints is one of the nation's largest independent paint companies, with more than \$400 million in annual revenues and over 1200 employees. The company distributes products through 157 company-owned retail stores and a network of authorized retailers across North America. Kelly-Moore Paints produces its technologically advanced paint products at its manufacturing facilities in Hurst, Texas. Long recognized as "The Painter's Paint Store!" and revered for offering exceptional value at a fair price, the company sells 90 percent of its products to professional paint contractors and other trade professionals.

"This is an exciting time for Kelly-Moore Paints," said Steve De Voe, chairman and CEO of Kelly-Moore Paints. "Our customers are at the center of everything we do and under the ownership of Flacks Group, we will have the resources and ability to continue to innovate and deliver the best products and experiences to our customers in the professional paint industry and remain highly competitive in the marketplace."

"Kelly-Moore Paints is a true legacy brand that resonates across multiple generations," said Charles Gassenheimer, Managing Director at Flacks Group. "Since 1946, the company's high-quality products have exemplified American manufacturing and its exceptional service has earned the company a loyal customer base."

Gassenheimer added, "We see this transaction as a platform with the potential for bolt-on acquisitions in the small and mid-size paint spaces."

The purchase of Kelly-Moore Paints is part of Flacks Group's multi-stage investment thesis around industrial companies with strong manufacturing footprints and global distribution. The acquisition, when combined with its existing portfolio company Germany-based Pleuger Industries, puts Flacks Group's industrial vertical on track to exceed \$1 billion in revenues in the next two to three years.

Flacks Group invests in companies with heritage brands that operate businesses often considered out-of-favor for a variety of reasons. When all other investors pass on an opportunity and options are exhausted, Flacks Group sees value and works with companies to find the best way to take their business forward. The team remains open to evaluating transactions globally that meet its criteria and would enhance the current platform of businesses currently in its portfolio.

Nomura Securities International, Inc. acted as the exclusive financial advisor to Flacks Group in connection with the transaction. Berger Singerman LLP acted as a legal advisor to the buyer. Deutsche Bank in New York and Houlihan Lokey Inc. investment bank acted as financial advisors to the seller. Shartsis Friese LLP acted as a legal advisor to the seller.

#### About Flacks Group

Headquartered in Miami, Florida, Flacks Group is a dedicated global investor in special situations focused on the acquisition and development of small and medium-size companies with revenues between \$50 million and \$2 billion. Industry agnostic, Flacks Group's portfolio of companies represents a diverse range of sectors, including manufacturing, industrial, processing and engineering. Flacks Group brings resources, synergies, and exceptional management expertise to position its investments for sustainable growth in close coordination with employees and customers. For more information visit [www.flacksgroup.com](http://www.flacksgroup.com).

#### About Kelly-Moore Paints

Kelly-Moore Paints provides high quality, innovative products with exceptional service at a fair value. In 1946, William H. Kelly and William E. Moore recognized the unique needs of professional painting contractors for top-quality paint products and knowledgeable, efficient service at a fair price. Kelly-Moore is recognized throughout the paint industry as "The Painter's Paint Store!" Kelly-Moore's state-of-the-art manufacturing facility in Hurst, Texas, produces some of the most technologically advanced paint products and sets the industry standard for new product development and quality control.