

Audax Group Acquires California Products Corporation

27 Oct 2015

Milwaukee, WI-(ICP Press Release) – Grace Matthews, Inc. and California Products Corporation (“CPC”) today announced that CPC has been acquired by Audax Private Equity (“Audax”).

Audax acquired CPC from Delos Capital (“Delos”). Grace Matthews advised CPC and Delos on this transaction. Financial terms were not disclosed.

Based in Andover, MA, CPC is a leading provider of branded, premium architectural interior and exterior paints and stains, tennis court and other sports surfaces coatings systems, and specialty abatement products. Delos acquired CPC in 2013 and began executing a robust growth strategy, which included several acquisitions that expanded the geographic footprint of the business and added complementary products to CPC’s portfolio.

Audax’ acquisition of CPC follows its March 2015 investment in Nicoat, a formulator of specialty packaging and printing coatings. CPC and Nicoat represent the formation of a new platform in the specialty coatings and adhesives markets that Audax plans to grow organically and through acquisition. Delos will continue as a shareholder in the combined platform.

“Delos Capital was fortunate to have backed the right company and management team in our fund’s first investment,” said Matt Constantino, Founder of Delos Capital. “Our investment in California Products yielded a great return for our institutional shareholders, and we are excited about our rolled equity going forward.”

Steven McMenamain, President of CPC, said, “Delos’ support over the last several years was essential in CPC’s expansion into a variety of complementary products, brands, and geographies. We are excited to partner with Audax and Nicoat to build upon this momentum and create a world-class specialty formulated products platform. We look forward to opportunities for continued growth in both new and existing products and end markets.”

Andy Hinz, Director at Grace Matthews, said, “The partnership presents an exciting opportunity for everybody involved. Audax has a strong track record investing within the coatings and broader specialty chemicals industry, and has the experience and resources to continue growing the combined platform. We are excited for the opportunities that await Steven and the entire team at CPC.”

Goodwin Proctor, LLP served as counsel to CPC. Kirkland & Ellis LLP served as counsel to Nicoat and Audax.

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