



**SK CAPITAL FEATURED IN JULY 12, 2021 EDITION OF PLASTIC NEWS BY FRANK ESPOSITO**

**SK Capital likes what it sees in plastics**

# SK Capital likes what it sees in plastics

By Frank Esposito  
Plastics News Staff

Investment firm SK Capital Partners has made several plastics-related acquisitions and is looking for more.

"We're looking for companies that have an understanding of the potential of the business," Managing Director Jack Norris said in a recent phone interview. "We have a distinct angle of what we can do with the business under our ownership."

He added that New York-based SK "wants to invest in what we know and be a value-added investor."

SK's current portfolio includes plastics materials firms and packaging makers. That list includes nylon 6/6 resin leader Ascend Performance Materials of Houston; Geon Performance Solutions, a compounder of PVC and other materials based in Westlake, Ohio; and Techmer PM, a specialty compounder and concentrates maker in Clinton, Tenn.

SK has owned Ascend since 2009. It acquired Geon in 2019 and bought a majority stake in Techmer in 2020. Ascend has made several

acquisitions under SK ownership, most recently acquiring French compounder Eurostar Engineering Plastics late last year.

On the packaging side, SK in the last year has acquired thermoformer Lacerta Group of Mansfield, Mass.; blow-fill seal maker Catalent Pharma Solutions of Woodstock, Ill.; and Paris-based iPackchem Group, a global firm that makes packaging for crop protection and specialty chemicals.

SK also has invested in specialty chemicals firms that sell into plastics markets, including additives maker SI Group of Schenectady, N.Y.; and Venator, a maker of pigments and additives based in Wyndham, England. Most recently, SK in June partnered with Heubach Group of Germany to acquire the pigments unit of Clariant AG for \$895 million.

The Clariant pigments unit employs around 1,900 at 13 global production sites. Combining the unit with Heubach's existing business has created a pigments maker with annual sales of more than \$1.1 billion.

Although SK's plastics-related

holdings cover many materials, products and markets, Norris said they share some things in common. "They have similar strategies in delivering solutions to customers and similar principles that run through," he added. "Innovation is the life blood for all of these businesses."

The COVID-19 pandemic and recent supply chain disruptions have created challenges for SK and other firms looking to make acquisitions.

"It's been a challenge to navigate this market," Norris said. "Supply chains are critical, and there's been a lot of volatility in pricing."

"We have to ask what a company's sustainable volumes and earnings are, and how much is a COVID rebound. We're fortunate that we have long expertise in a lot of sectors," he added.

Norris, who's been with SK since 2009, added that the firm is interested in materials and products that contribute to a circular economy. Moving forward, he said that SK "will continue to be disciplined and will look for opportunities where we have an interesting angle."

"There are opportunities to buy businesses where synergies with new businesses exist," Norris said. "It could be a family business or a corporate owner. There's a lot of activity in the pipeline."

SK targets investments in specialty materials, chemicals and pharmaceuticals. The firm's portfolio companies currently generate sales of about \$11 billion annually and employ around 15,000 worldwide. As of December 2020, SK had approximately \$5.5 billion of assets under management.

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## Berlin Packaging buys Canadian cannabis packaging specialist

Plastics News Report

**Chicago** — Chicago-based packaging distributor and manufacturer Berlin Packaging LLC is expanding through acquisition again, this time buying a Canadian company that specializes in packaging for the cannabis sector.

Berlin announced June 28 that it has purchased Markham, Ontario-based Cannasupplies, formerly a division of PharmaSystems Inc. Terms were not disclosed.

Cannasupplies will operate as a division of Consolidated Bottle Corp., the Canadian packaging supplier Berlin Packaging acquired in November 2020. All Cannasupplies employees and locations will be retained, according to Berlin's news release.

"Acquiring Cannasupplies positions Berlin Packaging to capitalize on the incredible opportunities in this rapidly growing

industry, not only in Canada but across the United States, as more states permit medical and recreational cannabis use," Bill Hayes, CEO and president of Berlin Packaging, said in the release. "Cannasupplies shares our entrepreneurial mindset, our drive for constant growth and our commitment to compliant packaging solutions for our valued customers."

Berlin Packaging distributes glass, plastic and metal containers sourced from more than 900 suppliers. While primarily a distributor, the company has plastics molding assets in Canada, through its November acquisition of Consolidated Bottle, and in Europe, through its 2019 acquisition of Dutch rigid packaging major Novio Packaging Group BV.

Private equity firm Oak Hill Capital Partner owns a majority of Berlin Packaging.



Berlin Packaging distributes glass, plastic and metal containers sourced from more than 900 suppliers. Berlin Packaging LLC photo



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