

Cairngorm Capital acquires North Yorkshire Timber in pursuit of consolidation in the UK timber sector

London and Edinburgh, 15 February 2018: Cairngorm Capital Partners LLP (Cairngorm Capital) is pleased to announce that it has acquired North Yorkshire Timber (NYTimber) and is merging it with its existing portfolio company, Thornbridge. Following the acquisition of Thornbridge in November 2017, this transaction is the next step in the strategy to consolidate the UK value added timber distribution sector. The enlarged group will have 15 branches in the North of England and Scotland, generating revenues of over £50 million and employing over 360 people.

North Yorkshire Timber is one of the leading independent timber merchants in North Yorkshire and the North East. In addition to offering an extensive range of timber, sheet and joinery products, NYTimber has a specialist roof solutions division which designs and fabricates roof trusses, spandrel panels, insulated roof cassettes and the industry-leading NYTROOF Rapid Fit System. Headquartered in Northallerton, it has a dedicated 120,000ft² design, manufacturing and distribution centre in Brompton-on-Swale and is supported by seven branch outlets. NYTimber's managing director, Nick Kershaw, will continue to lead the NYTimber business and join the Group Board. In 2017, NYTimber had revenues of £18 million and employed over 200 staff.

This is Cairngorm Capital's 12th proprietary transaction since July 2016 and its second in the timber distribution sector, quickly following the purchase of Thornbridge. This acquisition is highly complementary to the Thornbridge business, offering the strategic opportunity for geographical expansion and product range extension – qualities that Cairngorm Capital is keen to explore in other potential partners as it looks to add other well-run timber businesses to the group.

This transaction was led by **Neil McGill, Investment Director and head of Cairngorm Capital's Edinburgh office**, who said, *'As investors we are actively engaged in the strategy and operational development of our portfolio companies. We have been working hard to find opportunities to scale our timber business rapidly. Like Thornbridge, NYTimber is a very high quality business with a great management team and a shared focus on excellent customer service. We are delighted to be able to support this proprietary, off-market transaction as the next step in the creation of a leading UK timber distribution company and to welcome Nick Kershaw to the Board of the enlarged Group.'*

Nick Kershaw, Managing Director of NYTimber added, *'We welcome the investment from Cairngorm Capital – this deal will support the growth ambition of NYTimber's management team. Combining with Thornbridge is the perfect partnership for two businesses, which share a commitment to innovation and the highest standards of customer service. There are great opportunities across the sector and the alignment of our goals, values and vision, offers significant strategic benefits for both organisations.'*

Bruce Muirhead, Managing Director of Thornbridge, said, *'We are delighted to see such a well-respected company with significant market presence joining the group, bringing together the leading timber merchants in Scotland and the North East of England. There is a clear fit between the two businesses and the combination creates exciting opportunities. We have much in common in terms of our heritage and commitment to outstanding product quality and customer service. Our product ranges are highly complementary. Together, we will be well equipped to pursue new opportunities for innovation and growth, to the benefit of our customers and employees.'*

Thornbridge and Cairngorm Capital were advised on this transaction by BDO (financial and tax), Addleshaw Goddard (legal), CIL (commercial), JLT (insurance) and Clive Owen LLP (financial advisory). NYTimber shareholders were advised by Ward Hadaway (legal). PNC Business Credit provided bank facilities to support this transaction.

For further information, please contact Katherine Ritchie on 020 8347 6183 or 07941 040021

Notes for editors

Cairngorm Capital Partners LLP is a specialist private investment firm providing equity capital and management expertise to leading UK companies. It invests in well-performing, private mid-market growth companies in manufacturing, distribution and services industries. The firm's goal is to build and realise value through growth and performance improvements. Cairngorm Capital's unique mix of sectoral expertise and investment skill enables it to be actively involved in the strategy and operational focus of portfolio companies, partnering with management teams to grow revenue, enhance margins, improve cash flow or consolidate industry leadership positions.

www.cairngormcapital.com

Cairngorm Capital's current portfolio includes majority owned stakes in:

[BSO](#)

[Customade Group](#)

[MJ Wilson](#)

[Stevenswood](#)

[Thornbridge](#)

Thornbridge Sawmills Limited – Established in 1992, Thornbridge is a direct importer of timber and sheet materials. It has a combined mill and distribution hub in Grangemouth, as well as eight regional branch outlets across Scotland. Together they serve a diverse range of customers including local builders, joiners, construction companies, DIY enthusiasts, regional housebuilders and public works contractors. Its substantial warehousing, processing, manufacturing and distribution capabilities enable the business to respond rapidly with a comprehensive and customisable range of timber materials and products. In 2017, Thornbridge employed 159 staff across its operation.

www.thornbridgesawmills.co.uk

North Yorkshire Timber – Established in 1979, North Yorkshire Timber is one of the largest independent timber merchants in North Yorkshire and the North East. In addition to offering an extensive range of timber, sheet and joinery products, NYTimber has a specialist roof solutions division which designs and fabricates roof trusses, spandrel panels, insulated roof cassettes and the industry-leading NYTROOF Rapid Fit System. Headquartered in Northallerton, it has a dedicated 120,000ft² design, manufacturing and distribution centre in Brompton-on-Swale, supported by regional retail outlets in North Shields, Sunderland, Middlesbrough, Darlington, Richmond, Northallerton and Ripon. Together they serve a diverse range of customers including large construction companies, house builders, property developers, self-builders and the public throughout Yorkshire, the North East and nationwide.

www.nytimber.co.uk