

## Cairngorm Capital acquires Rembrand Timber to create the largest independent timber distribution company in Scotland and the North of England

**London and Edinburgh, 2 July 2018:** Cairngorm Capital is pleased to announce that it has acquired Rembrand Timber Limited and is merging it with its existing portfolio company, Thornbridge.

Thornbridge and Rembrand are the two largest independent timber processing and distribution companies in Scotland so this merger marks a key milestone in the growth strategy for both businesses. Together with NYTimber (acquired by Thornbridge in February 2018), they will create the leading independent timber distribution company in Scotland and the North of England. The group has 35 branches, 28 of which are in Scotland; revenues exceeding £100 million and over 600 employees.

Established in 1982 and headquartered in Dundee, Rembrand is an importer, manufacturer and distributor of timber. It has two manufacturing sites and 20 branches across Scotland, serving a broad range of customers in the construction industry. In addition to an extensive range of timber, sheet and joinery products, Rembrand offers a broad selection of roofing, insulation, and other building materials via its subsidiary companies, Scotia Roofing, Glow Insulation & Site Supplies and Rembrand Builders Merchants.

This is Cairngorm Capital's 14th proprietary transaction since July 2016 and its third in the timber distribution sector. With minimal overlap of the branch networks, this acquisition is highly complementary and offers the strategic opportunity for geographic expansion and product range extension. The enlarged group now has an established distribution structure that extends from Thurso and Skye to Northallerton.

The acquisition was triggered by the retirement of George Low, Managing Director and sole owner of Rembrand, who will remain in the business for the short term to ensure an effective handover and a smooth transition. It also marks the decision by Bruce Muirhead, Thornbridge's Managing Director to step back from the day to day running of the business and to continue his involvement in a non-executive capacity. Following Cairngorm Capital's initial investment in Thornbridge eight months ago, Bruce committed to stay for a limited period to guide the business through its first phase of growth, which culminated in this transaction.

Rob Barclay joins as Group Chief Executive from SIG plc, one of the largest distributors of specialist building products in Europe, where most recently he was Group Managing Director for UK and Ireland. During his long career with SIG, Rob has maintained an impressive track record of delivering growth in multi-site manufacturing and distribution businesses, both organically and through acquisitions, achieving revenues of £1.6bn through 350 locations. With Cairngorm Capital's involvement, the Thornbridge group of companies have benefitted from considerable investment since November 2017 and Rob's expertise will be instrumental in integrating and scaling the business, to generate further growth and ensure that the company fulfils its potential.

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 looking for further opportunities to continue the growth of our timber business. The complementary geographic fit between Rembrand's and Thornbridge's branches delivers immediate distribution advantages. 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. Further acquisitions are planned."*

**George Low**, Managing Director of Rembrand, said *“I have long been an admirer of Thornbridge and all that it has achieved. We have much in common in terms of our heritage, our commitment to outstanding product quality and our belief in the highest standards of customer service. This, together with our highly complementary product ranges and distribution networks, makes the merger a good fit and will allow Rembrand to continue to thrive to the benefit of our customers and employees. I know I will be leaving the business in very capable hands and look forward to seeing it prosper.”*

**Rob Barclay**, Group Chief Executive of Thornbridge, said, *“I am delighted to be joining Thornbridge and to be able to welcome Rembrand into the group. It is a pleasure to have such a well-respected company, with a strong market presence join the group. There is a clear fit between all the businesses and the combination creates many opportunities. The group is at a really exciting point in its development, with the ability to capitalise on numerous options for growth. Although we have ambitious goals to fulfil, with strong investor support, our exceptional products, first-rate employees and a well-deserved reputation for superior service, these are very achievable. I look forward to leading the next phase of development.”*

Thornbridge and Cairngorm Capital were advised on this transaction by Johnston Carmichael (financial and tax), Addleshaw Goddard (legal), CIL (commercial) and JLT (insurance). Rembrand shareholders were advised by Henderson Loggie (financial and tax) and Blackadders (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](http://www.cairngormcapital.com)

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

[BSO](#)

[Customade Group](#)

[MJ Wilson](#)

[Parker Building Services](#)

[Stevenswood](#)

[Thornbridge](#)

**Thornbridge Sawmills Limited** – Established in 1992, Thornbridge is a direct importer of timber and sheet materials. With its partner NYTimber, it has manufacturing and distribution hubs in Grangemouth and Northallerton, as well as 15 regional branch outlets across Scotland and the North of England. 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. The Thornbridge group of companies employ 360 staff across its operations.

[www.thornbridgesawmills.co.uk](http://www.thornbridgesawmills.co.uk)

**Rembrand Timber Limited** – Established in 1982 and headquartered in Dundee, Rembrand is a leading importer, manufacturer and distributor of timber in Scotland. It has 20 branches across Scotland, serving a broad range of customers in the construction industry. In addition to an extensive range of timber, sheet and joinery products, Rembrand offers a broad range of roofing insulation, and other building materials via its subsidiary companies, Scotia Roofing, Glow Insulation & Site Supplies and Rembrand Builders Merchant. In 2017 it achieved revenues approaching £50 million and employed 288 people.

[www.rembrand.co](http://www.rembrand.co)