

Platinum Equity Acquires Flooring Distributor Paramount Global Surfaces

LOS ANGELES (July 7, 2021) – Platinum Equity announced today the acquisition of Paramount Global Surfaces (PGS) from Linsalata Capital Partners. Financial terms of the transaction were not disclosed.

PGS is a leading developer, importer and distributor of premium, proprietary porcelain tile and other hard surface floor coverings used primarily in remodel and replacement solutions by both residential and commercial end users.

Headquartered in Miami, PGS goes to market through two distinct floor covering brands: Happy Floors, which serves a diverse base of more than 6,000 independent dealer customers throughout the United States; and Ceramic Technics, which serves approximately 1,800 architecture and design firms, and 4,000 contractors/installers and corporate customers across multiple commercial and multi-family end-user segments.

PGS serves some of the fastest growing segments of the floor covering market as consumer preferences continue to shift towards tile and luxury vinyl tile products. Larger macro trends are also having a positive impact on the company.

“PGS serves a critical link in the value chain connecting high-quality tile manufacturers with thousands of end customers in the US residential and commercial markets,” said Platinum Equity Partner Jacob Kotzubei. “Covid and demographic trends are also driving a shift in consumer lifestyle that is stimulating increased new home construction and renovation activity, and we anticipate the impact of these tailwinds will be felt for years to come.”

Platinum Equity recently acquired Cabinetworks, the largest independently owned manufacturer and distributor of kitchen and bath cabinets in the United States. Other companies the firm previously invested in include: Interior Logic Group, the largest national provider of interior design and finish solutions for the homebuilding industry; PrimeSource, a national distributor of specialty building materials including fasteners serving the new-construction and remodeling markets; and Nilco, a wholesale distributor of specialty building materials and industrial products.

“We have a lot of experience investing in building products companies and know the industry well,” added Mr. Kotzubei. “We will put our M&A and operational resources to work in pursuit of new avenues to diversify PGS by product type, geography, channel and customer segment. The company operates in a highly fragmented market with significant opportunities to grow, and PGS is an outstanding platform for additional complementary and transformative acquisitions.”

O’Melveny & Myers and Alston & Bird served as Platinum Equity’s legal counsel on the transaction. Robert W. Baird & Co. served as financial advisor to Platinum Equity on the transaction.

Blackstone Credit provided financing for the transaction.

Moelis & Company LLC served as exclusive financial advisor and Calfee, Halter & Griswold provided legal counsel to PGS.

About Platinum Equity

Founded in 1995 by Tom Gores, Platinum Equity is a global investment firm with more than \$25 billion of assets under management and a portfolio of approximately 40 operating companies that serve customers around the world. The firm is currently investing from Platinum Equity Capital Partners V, a \$10 billion global buyout fund, and Platinum Equity Small Cap Fund, a \$1.5 billion buyout fund focused on investment opportunities in the lower middle market. Platinum Equity specializes in mergers, acquisitions and operations – a trademarked strategy it calls M&A&O® – acquiring and operating companies in a broad range of business markets, including manufacturing, distribution, transportation and logistics, equipment rental, metals services, media and entertainment, technology, telecommunications and other industries. Over the past 25 years Platinum Equity has completed more than 300 acquisitions.