

Well-funded industry veterans buy local packaging companies

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An Atlanta-based paper products holding company has bought four packaging companies based in Northern California, with an aim to invest in them to grab a bigger share of the high-end wine, food, produce and e-commerce paper and corrugated cardboard packaging market.

Two of the companies are Sacramento operations, Capital Corrugated Inc. and PackageOne Inc. The other two are Heritage Solutions of Lathrop and Packaging Innovators Corp. of Livermore. The transaction also includes CalSheets LLC of Stockton. All four of those companies together had owned CalSheets LLC, the operator of a plant that converts rough paper products from paper mills into corrugated sheets. The four companies then used those sheets to make basic boxes or packaging with high-end graphics, printing and finishes.

The value of the transaction was not disclosed. The deal was announced on Tuesday.

The holding company, Golden West Packaging Group LLC, was created in 2017 by New York private investment firm Lindsay Goldberg LLC specifically to make investments in the packaging industry, said Golden West spokesman Alan Ulman.

The team behind Golden West includes paper and packaging company executives who have worked in the industry for 30 years. They came together three years ago following the expiration of do-not-compete clauses from their former employers, which were publicly traded companies, to build a privately owned packaging company to concentrate on some niche markets, Ulman said.

"They bought these companies to invest in them and grow them," Ulman said.

The Golden West executives include CEO Steve Strickland, executive chairman Steve Klinger and chief administrative officer Craig Hunt. The three of them had worked previously in management for paper giants Smurfit-Stone Container Corp., Unisource and Georgia-Pacific, Ulman said.

Lindsay Goldberg is a private investment firm managing approximately \$13 billion of equity capital that partners with founders, families, and entrepreneurs to actively build their businesses.

"Lindsay Goldberg's philosophy is to buy, invest and build private companies," Ulman said. "They don't buy companies to strip them and sell them, they buy them to build them and hold them."

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