

Cold comfort for Esky in US buy-out

Michael Smith

Another big-name Australian brand – Esky – is set to be sold into foreign hands. The receivers of manufacturing group Nylex are close to agreeing to a sale of the division to US firm Coleman Company.

Administrators for Nylex have been assessing bids for the company since February, when Esky failed to secure a renewal of its bank facilities or attract a capital injection.

It owes banks and other creditors about \$100 million.

It is believed receivers are close to securing the deal to sell the division, which makes the famous Esky coolers. An announcement is expected as soon as this week.

Coleman makes camping gear and outdoor equipment, including tents, lanterns, stoves, coolers and sleeping bags.

Administrators McGrathNicol said on Friday a deal had also been reached to sell Nylex's Kennon business, which makes car-carpet products, to a multinational consortium.

Agreements had also been reached to sell Nylex's Senco and One Shot (Laserlife) businesses.

Nylex, which employs 700 staff,

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has continued trading since McGrathNicol launched a formal process in February to find buyers for its businesses, which make car parts, water tanks, wheelie bins and other products. The process is being run in tandem with a restructuring to cut costs.

McGrathNicol partner Johan Vorster said in March that there had been 150 expressions of interest for a combination of one, two or three of the Nylex business units. They included strategic buyers such as manufacturers from Australia and overseas as well as private equity.

Coleman Company is a subsidiary of Jarden Corporation, which has a market capitalisation of \$US1.6 billion (\$1.98 billion) and is listed on the New York Stock Exchange. Jarden has a workforce of 17,500 and is based in Rye, New York.

Coleman Company has manufacturing, marketing, distribution and sales operations in 13 countries around the world.

The sale of Esky marks another well-known Australian brand going to foreign owners. US food giant HJ Heinz & Co bought Queensland-based fruit company Golden Circle for \$288 million late last year and the Victa lawnmower brand was bought last year by US company Briggs & Stratton.

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