



Lakewood manufacturer taken over by Graco

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Gusmer Corp., a Lakewood company that makes spraying equipment for the automobile and construction industries, has been purchased by Graco Inc. in Minneapolis for \$45 million in cash, the companies said Friday. In addition to Gusmer in Lakewood, Graco will acquire its sister company, Gusmer Europe and its 25 employees in Vilanova, Spain, for \$20 million in cash.

Graco's vice president and treasurer, Mark Sheahan, said he didn't know if the company will keep the 200-employee facility in Lakewood. Graco makes similar products in Minneapolis and Sioux Falls, S.D. But Gusmer President Mike Kolibas said, "It will be status quo."

Gusmer's manufacturing jobs are a rarity for New Jersey. To remain viable in the global economy, the company in 2000 received a \$170,000 training grant from the state.

Gusmer's parent company, PMC Global Inc. in Los Angeles, decided to sell it mainly because PMC is shifting its focus to other industries and overseas acquisitions, said Lloyd Greif, president and chief executive officer of Greif & Co., a Los Angeles investment bank that represented PMC Global in the deal.

Graco has been buying companies that, like Gusmer, are in the dispensing equipment market. It recently purchased Liquid Control Corp. Inc. in Ohio. And it purchased Sharpe Manufacturing Co. in Santa Fe Springs, Calif., in 2003, eventually relocating it to Sioux Falls.

Graco's profit rose by 25 percent last year, and its sales rose by 13 percent. The publicly traded company's stock was up 38 cents, to \$36.35, Friday on the New York Stock Exchange.

Greif said as part of the deal, Graco agreed to a long-term lease with PMC Global, which owns the Lakewood facility. And he thought the Gusmer operation would stay so Graco could take advantage of its highly-skilled work force, which developed the company's proprietary, industry-leading technology.