

MSC Industrial Supply Co. Acquires Tower Fasteners

MSC Industrial Supply Co. (NYSE: MSM), a premier distributor of Metalworking and Maintenance, Repair and Operations supplies to industrial customers throughout North America, announced it has acquired Tower Fasteners, a Holtsville, New York-based valued-added distributor of Original Equipment Manufacturer (OEM) fasteners and components.

Under the equity purchase agreement, Tower will continue to operate under its current name after becoming an MSC company. Mark Shannon, President of Tower, will continue to lead the business, which has approximately 100 associates. Tower's revenue in calendar 2021 was approximately \$35 million. MSC's acquisition of Tower, made through its All Integrated Solutions (AIS) subsidiary, expands the company's presence in the OEM fastener market, which it entered in 2018 with the acquisition of AIS, a leading value-added distributor of industrial fasteners and components, MRO supplies and assembly tools based in Wisconsin.

Tower's growing footprint complements AIS's existing locations concentrated in the Midwest. The company operates eight distribution centers along the East Coast and in the Southwestern regions of the United States, Mexico and Europe. Tower serves manufacturers in the industrial, electronics, medical equipment, aerospace, military, and security, fire and safety sectors. MSC plans to maintain Tower's operations, providing the company's customer base access to MSC's 2 million-plus product portfolio to support their full metalworking and MRO needs. Similarly, MSC will extend Tower's production fastener solutions to its manufacturing customers. The acquisition is expected to be roughly neutral to MSC's fiscal 2022 earnings and slightly accretive to fiscal 2023 earnings.

"We are excited to add Tower Fasteners to our growing portfolio of businesses, all focused on helping manufacturers solve their mission-critical challenges," said MSC President and CEO Erik Gershwind. "Tower will expand our presence in the OEM fastener market and provide an entrée into new end markets like electronics and medical equipment. We look forward to supporting the growth and success of their customers together."

"Tower's geographic footprint on the East Coast and in the Southwest complements our strong presence in the Midwest," said AIS President Nick Ruetz. "AIS and Tower have worked together on industry-related matters for many years. We're looking forward to partnering to expand our reach in serving OEM customers and extending MSC's full array of solutions to improve the effectiveness and efficiency of their operations."

Mark Shannon, President of Tower Fasteners, said MSC, AIS and Tower have a shared passion for providing high-touch, custom solutions to manufacturers to support their MRO product and inventory management needs.

“MSC is a recognized and respected leader in the industrial supply distribution industry,” Shannon said. “We’re excited to join forces with MSC and AIS to bring even greater value to our customers.”