

Orora announces acquisition of Bronco Packaging

31 August 2018

Orora Limited (ASX:ORA) today announced the acquisition of Texas based packaging distributor Bronco Packaging Corporation (Bronco) for a total consideration of up to USD\$24 million (subject to customary completion processes) as part of the continued growth of the Orora Packaging Solutions (OPS) business in North America.

Bronco was established over 20 years ago and primarily serves corporate accounts in the fresh food manufacturing industry. Today, the Company generates revenues in excess of USD\$50 million and provides an 'on-demand' packaging delivery service to customers predominantly located in Texas.

Bronco is a family-owned business, located in Dallas, Texas and employs approximately 30 co-workers. Existing management will continue to lead the business for a period of at least three years, ensuring a smooth transition to new ownership.

Commenting on the acquisition, Orora Managing Director and CEO, Mr Nigel Garrard, said: "The acquisition of Bronco aligns with Orora's stated returns focused approach to allocating capital and will expand OPS's geographic footprint and product capability in the targeted, higher growth food sector."

"Bronco also brings to Orora a strong corporate customer base that complements OPS's existing corporate customer list. The acquisition continues the strategic focus to leverage the existing national footprint, product breadth and customised packaging solutions offering to further drive sales growth from both corporate accounts and new customer wins.

"Importantly, Bronco and OPS are already well known to each other and this will assist the integration of the two businesses as well as the achievement of expected synergies in procurement, supply chain and back office functions over the next 1-2 years," Mr Garrard said.

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