

# Oshkosh Truck to Acquire JLG Industries for \$3.2B

Oshkosh, Wis.-based Oshkosh Truck Corp. has reached an agreement to acquire McConnellsburg, Penn.-based JLG Industries Inc. for \$28 per share, a deal worth \$3.2 billion.

"We have consistently executed strategies to grow this company, creating significant shareholder value during the last decade," said Oshkosh chairman, president and CEO Robert Bohn. "The acquisition of JLG is the latest broad-based initiative in the continuing transformation of Oshkosh Truck Corp."

JLG had \$2.3 billion in revenues during fiscal year 2006 and has estimated a 20 to 25 percent increase in sales in fiscal year 2007. It has the top market position in North American and Europe for aerial work platforms and is the top producer of telehandlers in the United States. "This transaction is a good fit for JLG," said JLG chairman, president and CEO William Lasky. "Oshkosh has a similar philosophy of offering premier products, creating strong market positions and delivering after sales service and support."

Oshkosh will finance the transaction with a \$3.5 billion senior credit facility provided by Bank of America, N.A. and JPMorgan Chase Bank, N.A. and retire most of JLG's currently outstanding debt. The acquisition has been approved by the board of directors of both companies and is expected to be completed within 90 days.

Upon completion of the transaction, JLG will become the largest of four business segments of Oshkosh. It continues the diversification of the

company. In fiscal 2008, the first full fiscal year of Oshkosh's expected ownership of JLG, Oshkosh estimates that JLG will represent approximately 40 percent of its consolidated sales and operating income.

During the past several years, JLG completed a major realignment of its manufacturing facilities in the United States, Belgium and France. Consequently, Oshkosh has no immediate plans to make any significant changes to its combined manufacturing asset base or work force. JLG's global reach is extensive, with sales and service centers on six continents, in addition to the three countries where it manufactures.

## Atlas Copco Sells Equipment Rental Business for \$3.8B

Stockholm, Sweden-based manufacturer Atlas Copco AB has agreed to sell the majority of its construction equipment rental business in a deal valued at \$3.8 billion. It is believed to be the single largest transaction in the history of the equipment rental sector.

Under the terms of the agreement announced Oct. 6, New York City-based Ripplewood Holdings and Oak Hill Capital Partners will share a 50 percent stake in the deal. The companies plan to keep existing management in place.

"RSC Equipment Rental has an extraordinary management team, committed employees and is well positioned in the industry," said Ripplewood Holdings CEO Tim Collins. "We are excited about this investment and believe the company's strength gives us

an opportunity to continue to grow the business profitably and create long-term value."

The sale, which is expected to close by the end of the year, includes \$3.3 billion in cash plus \$400 million in "contingency" notes payable to Atlas Copco in 2008 and 2009, depending on the RSC's performance. After the sale closes, Atlas Copco plans to keep a 14.5 percent stake in RSC.

"We are very satisfied with the deal. It results in substantial cash proceeds, a capital gain and a minority stake in the best equipment rental company in North America," said Atlas Copco president and CEO Gunnar Brock.

Atlas Copco's strategic rationale for divesting is that the operating environment and the business characteristics of the construction equipment rental business are very different from the company's industrial equipment operations. Therefore, the possibilities to capture and develop synergies are limited. "With three very strong, very profitable industrial business areas, all with leading market positions, Atlas Copco will have excellent opportunities for strong growth and value creation," Brock said.

## Brand Acquires Interstate Scaffolding

Kennesaw, Ga.-based Brand Energy and Infrastructure Services has acquired East Hazel Crest, Ill.-based Interstate Scaffolding Inc.

With eight locations throughout the United States, Interstate Scaffold-

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ing has served clients for 30 years and has a solid reputation for providing scaffold services to industrial and commercial clients.

With the acquisition, Brand strengthens its leadership position in the industry, serving more customers in more locations with economies of scale. The move also signals the company's key business objectives and growth initiatives. "Interstate's strong operating team, as well as its established relationships with major industrial and commercial customers, enhances Brand's existing capabilities in the United States," said Brand president and CEO Paul Wood. "It expands our reach across the continent with a wealth of knowledge in the industrial market."

Interstate will operate as Brand Energy and Infrastructure Services with Bill Kuhn continuing at the helm in Chicago and Bob Veltre maintaining his leadership role at the New Jersey location. Interstate's Los Angeles and Bay Area operations will combine with local Brand offices in Long Beach and Vallejo, Calif.

#### **Donations Sought in Memory of Harold Forbes**

The SIA is introducing two organizations that 15th president Harold Forbes was involved with and requesting that donations be made in his honor. Forbes passed away in September after a long battle with cancer.

The organizations are SickKids, a hospital that was dear to Forbes heart, and Ian Anderson House, where he spent his final days. The organization websites are [www.sickkids.ca](http://www.sickkids.ca) and [www.ianandersonhouse.com](http://www.ianandersonhouse.com).

The Hospital for Sick Children (SickKids), affiliated with the University of Toronto, is Canada's most research-intensive hospital and the largest centre dedicated to improving children's health in the country. As innovators in child health, SickKids improves the health of children by integrating care, research and teaching.

With a staff that includes profession-

als from all disciplines of health care and research, SickKids provides the best in complex and specialized care by creating scientific and clinical advancements, sharing knowledge and expertise and championing the development of an accessible, comprehensive and sustainable child health system. In 2004/2005, SickKids saw over 300,000 clinic, medical day care and diagnostic visits, nearly 50,000 emergency visits and performed nearly 12,000 operating room cases.

Ian Anderson House (IAH) is a six bed cancer hospice providing end-of-life palliative care, without charge, to individuals with a limited life expectancy who, for whatever reason, cannot receive the necessary round-the-clock care in their own homes. In an effort to attain a goal of providing quality end-of-life care, IAH has clearly defined objectives.

The philosophy of care at IAH reflects hospice philosophy, which

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understands the value of attending to emotional, social and spiritual, as well as to physical needs. IAH also understands the need to support the families of the residents.

IAH recognizes that each of our residents will have unique lifestyles, desires and expectations. At IAH the focus is on maintaining the independence and dignity of each resident by providing individual programs of care.

IAH's philosophy of palliative care may not be appropriate for everyone, since active treatment, including hydration, is not provided at IAH. But, for many, IAH offers a valuable and much needed option.

Those wishing to donate should contact the SIA at (602) 257-1144.

#### **Ken Savage 1924-2006**

Ken Savage, who began Savage Scaffold and Equipment in Salt Lake City in 1968, passed away on Aug. 2.

Born in 1924 in Murray, Utah, he was the youngest of nine children. He graduated from the University of Utah with a bachelor of science in education and married Vondella Hansen in 1947. They were later divorced. He married Reta Glenn in 1969.

Savage was a mason and served in the Navy during World War II on a tanker. Since beginning his company in 1968, he worked seven days a week until his death.

Savage was defined by a fantastic sense of humor, quick wit and the ability to make a friend or stranger laugh. He loved playing golf with his friends at Bountiful Ridge Golf Course, hunting ducks with his companions at the Bay View Club and making Bloody Marys on Saturday morning with his best friends.

Savage is survived by his children, Max (Teri), Sue (Bruce), Glenn (Georganna) Pinder, Patricia Provost; sister Roselle Mills; nine grandchildren; 17 great grandchildren and many nieces and nephews. He is preceded in death by his parents, four brothers and three sisters.

#### **XServ Names United/Anco President**

Baton Rouge, La.-based XServ Inc. has promoted Jeryl Finke to president of United/Anco Services, a multi-service specialty contractor providing scaffolding, insulation, custom sheet and plate fabrication and shoring to industrial and commercial contractors.

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