

Royal buys Quebec extruder

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TORONTO — Royal Group Technologies Ltd. plans to expand its presence in Quebec by purchasing Thermoplast Inc. and its subsidiary Profiplast Inc.

The two firms mainly extrude vinyl window profiles and their sales exceeded C\$28 million (US\$18.8 million) last year. Royal, of Woodbridge, Ontario, said in a Feb. 23 news release that it expects to complete the deal by March 31. It did not reveal terms.

Royal Chief Financial Officer Gary Brown said in a telephone

interview that his firm plans to expand Laval, Quebec-based Thermoplast and integrate it with other Royal extrusion operations in the Montreal area. The deal will help the operations reduce raw material costs and improve production planning.

Thermoplast will gain from Royal's research and development and extrusion tooling capabilities, Royal Chairman, President and Chief Executive Officer Vic De Zen said in a news release.

Pierre Grand' Maison, Thermoplast's president, said Royal's ownership will help the company expand its U.S. customer base.

Thermoplast began looking for a strategic partner last fall and decided Royal could help it grow and improve its technology.

Thermoplast bought Montreal-based Profiplast, also a vinyl window profile extruder, in 1996, Grand' Maison said in a telephone interview. The two operations have a total of 24 extrusion lines and about 150 employees.

Thermoplast is ISO 9002 certified and recently was named one of Canada's best-managed private firms by *Financial Post* magazine. Established in 1966, it is owned by Grand' Maison, three managers and a Quebec labor fund.