Victor Capital sells PrimaLoft to Compass Diversified

By Olivier Guyot - 27 July 2022

Primaloft, the nearly 40-year-old thermal insulation material specialist, has been acquired by the American group Compass Diversified, also known as Codi. The American holding group has already invested in outdoor sports via Boa, a patented technology that optimizes the tightening of laces on cycling, hiking and skiing boots.

In acquiring Primaloft Technologies Holdings for $530 million (522 million euros), the group, which has offices in Connecticut and California, is also acquiring a company that focuses on research and development.

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Launched in 1983, Primaloft technology was originally created to provide the U.S. military with synthetic insulation that replicated the warmth and lightness of traditional goose down, while remaining warm when exposed to water. Building on its origins, Primaloft has developed a portfolio of customers supplying outdoor clothing and equipment. Today, Primaloft has over 950 customers worldwide who rely on its solutions.

"We are delighted to have completed the acquisition of Primaloft and look forward to partnering with its experienced management team to capitalize on the significant market opportunities ahead," said Elias Sabo, CEO of Compass Diversified.

Mike Joyce, Primaloft's CEO, will remain at the helm of the company. Over the last few years, the company inevitably began adopting a more environmentally responsible approach. This is reflected in its "Relentlessly Responsible" philosophy, which aims to balance innovation, performance and sustainability.

In its environmental report published last spring, the company highlighted its desire to work towards decarbonizing its business. Its objectives include increasing the proportion of recycled materials used to make its products to 50%, and ensuring that they represent between 80% and 100% of the materials offered.

The group has also partnered with Origin Materials to create a next-generation insulation material, using polymers derived from wood residues rather than hydrocarbons. Primaloft plans to manufacture non-woven insulation using these fibers. By 2023, it intends to secure a partnership with five brands to develop prototype products using this technology. It remains to be seen whether the new owner's arrival will help speed up this transition.

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Translated by Roberta Herrera