

FLACK GLOBAL METALS SET TO BUY ROOFER FABRAL

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Flack Global Metals (FGM) has reached an agreement with OmniMax International to acquire Fabral, a supplier of metal building solutions.

OmniMax and FGM are targeting an end-of-February closing. Terms of the transaction were not disclosed.

Fabral will be the first manufacturer added to FGM and its fourth overall acquisition. With the buy, FGM said it is launching the third segment of its business, a direct-equity investment platform focused on steel-consuming original equipment manufacturers (OEMs).

"We have had great success working with progressive, steel-buying OEMs who embrace our approach to separating metals supply from price using proven risk management strategies, including hedging," Jeremy Flack, FGM founder and CEO, said in a statement.

Fabral, with 246 employees, has eight locations throughout the US. Founded in 1967, the company manufactures metal roofing and wall systems for a range of end-markets including residential and commercial construction as well as agricultural.

Flack said this would be the first in what he expects to be a series of investments.

"We intend to prove – using our own capital and that of progressive partners – the impact that is made when a company moves beyond the antiquated buying practices that dominate the steel industry," he said.



In an email to SMU, Flack touted his investment platform as the next step for the company.

“Our ability to control our own risk has allowed us the financial position to re-invest in our industry. We will continue to innovate – and prove that enterprise value is created when risk is handled correctly. We believe everyone should be hedging – and those who do will beat those who don’t,” he told SMU.

FGM is a hybrid organization. It combines a domestic flat-rolled metals distributor and supply chain manager with a financial services firm focused on "delivering supply and pricing certainty within the metals space."

By Ethan Bernard, ethan@steelmarketupdate.