



KKR to Acquire Leading Testing and Measurement Instrument Provider Industrial Physics from Union Park Capital

May 11, 2023

All Employees to Become Owners in the Company

NEW YORK--(BUSINESS WIRE)-- KKR, a leading global investment firm, today announced the signing of a definitive agreement under which investment funds managed by KKR will acquire Industrial Physics (or the “Company”), a leading manufacturer of testing and measurement instruments, from Union Park Capital (“UPC”). KKR plans to support the Company in its continued growth organically and through add-on acquisitions. Financial terms were not disclosed.

This press release features multimedia. View the full release here: <https://www.businesswire.com/news/home/20230511005207/en/>

Headquartered in New Castle, Delaware, Industrial Physics is a trusted global provider of highly technical testing and inspection equipment used by thousands of customers across food and beverage, packaging and other diversified markets. Industrial Physics’ leading products are used to test, measure, inspect and validate the quality of products and samples, ensuring that they are made to specification and are safe for end users.

“Testing and measurement is an attractive market that is poised to continue growing as focus on product quality and supply chain transparency intensifies. We are thrilled to invest in Industrial Physics, a leader in this space, that has built an impressive portfolio of brands used by many of the world’s leading manufacturers,” said Brandon Brahm, Partner at KKR and Co-Head of KKR’s Ascendant strategy. “We look forward to working with the Industrial Physics team and helping the company reach new heights through organic growth and M&A.”

“At Industrial Physics, we are excited to work with KKR as we enter this new phase of our growth. KKR supports our employee-first culture and shares our vision for building a scaled testing and measurement platform that continually invests in growth and innovation to even better serve the needs of customers around the world,” said Jim Neville, CEO of Industrial Physics.

Following the close of the transaction, Industrial Physics plans to implement KKR’s broad-based employee ownership program, which will make all employees owners of the Company alongside certain investment funds managed by KKR. This strategy is based on the belief that employee engagement is a key driver in building stronger companies. Since 2011, KKR has awarded billions of dollars of total equity value to over 50,000 non-management employees across nearly 30 companies. Last year, KKR joined more than 20 organizations in becoming a founding partner of Ownership Works, a nonprofit created to support public and private companies transitioning to shared ownership models.

Industrial Physics marks the third investment for KKR’s Ascendant Strategy, which invests in middle market businesses in North America as part of KKR’s Americas Private Equity platform. Other investments in the Ascendant strategy include [Alchemer](#) and [123Dentist](#), and a commitment to fund a new [executive-led platform](#) designed to acquire and build businesses in the Testing, Inspection, and Certification industry.

The transaction is expected to close in Q3 2023, subject to customary conditions.

Dechert served as legal counsel to KKR.

About Industrial Physics

Industrial Physics is the world’s leading test and inspection partner protecting the integrity of the biggest brands across the globe. The Company manufactures and markets materials testing instruments for measuring physical and analytical properties of plastics, barrier films, paper, pulp, foil, ink, coatings, corrugated materials, cans, medical devices, and consumer electronic products. For more information, visit www.industrialphysics.com.

About KKR

KKR is a leading global investment firm that offers alternative asset management as well as capital markets and insurance solutions. KKR aims to generate attractive investment returns by following a patient and disciplined investment approach, employing world-class people and supporting growth in its portfolio companies and communities. KKR sponsors investment funds that invest in private equity, credit and real assets and has strategic partners that manage hedge funds. KKR’s insurance subsidiaries offer retirement, life and reinsurance products under the management of Global Atlantic Financial Group. References to KKR’s investments may include the activities of its sponsored funds and insurance subsidiaries. For additional information about KKR & Co. Inc. (NYSE: KKR), please visit KKR’s website at www.kkr.com and on Twitter [@KKR_Co](https://twitter.com/KKR_Co).

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