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Aliaxis acquires Valencia pipe division for \$250M



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Aliaxis SA

The Valencia deal brings Aliaxis two production facilities in Kingman, Ariz., and Walla Walla, Wash., for ABS, PVC and PE pipe as well as a distribution center in Valencia that all primarily serve the residential market.

Brussels-based Aliaxis SA acquired the manufacturing division of Valencia, Calif.-based Valencia Pipe Co. for \$250 million to expand into the Western United States.

Aliaxis owns Pineville, N.C.-based pipe extruder Ipex USA LLC and it **has been increasing its U.S. presence and product line** through acquisition in recent years.

The Valencia deal was announced days after Aliaxis's **pursuit of primary acquisition target, Uponor Oyj, took a rocky step forward** with another purchase offer coinciding with share buys. Aliaxis upped its offer to 25.75 euros per share, which valued the company at 1.87 billion euros (\$2.06 billion).

Aliaxis now **owns 20 percent of Uponor**, which extrudes high density polyethylene and cross-linked PE (PEX) pipe and has U.S. manufacturing sites in Apple Valley and Hutchinson, Minn.

While Uponor remains aloof, the Valencia deal brings Aliaxis two production facilities in Kingman, Ariz., **and Walla Walla, Wash.**, for ABS, PVC and PE pipe as well as a distribution center in Valencia that all primarily serve the residential market.

Valencia will contribute to Aliaxis growth by giving it a "truly coast-to-coast presence," according to Aliaxis CEO Eric Olsen.

"Valencia's plastic pipe and fittings manufacturing division brings two modern plants and a distribution center, providing a highly complementary geographic and product fit with Ipex, Aliaxis's leading brand in North America," Olsen said in a news release.

Ipex manufactures piping systems from ABS, PVC and chlorinated PVC for the municipal, irrigation, industrial, plumbing, mechanical, electrical and telecommunication sectors.

With an estimated \$1.26 billion in annual sales, **Ipex is the fifth largest** pipe, profile and tubing extruder in North America, according to *Plastics News*.

Uponor ranks 11th with estimated pipe sales of \$490 million and Valencia ranks 66th with annual related pipe sales bringing in \$51 million.

Aliaxis' acquisitions also **have included Harrington Corp.**, a Lynchburg, Va.-based producer of gasketed fittings with 2021 sales of about \$75 million, and Israel-based **Aquarius Spectrum**, a supplier of products for water leak detection and pipe condition assessment.