

Press release

investor relations

Royal Ten Cate acquires artificial grass manufacturer in the USA

Royal Ten Cate (technical textiles and technical components) has acquired Polyloom Corporation of America. Polyloom produces and markets artificial grass fibres for the American market. The company currently has a turnover of NLG 35 million (approximately €16 million), employs 120 people and is based in Dayton, Tennessee.

The acquisition is in line with Royal Ten Cate's buy and build strategy, which is aimed at growth by stimulating promising companies, innovation and process improvement. In addition, market positions are strengthened by acquiring companies involved in similar or complementary activities. In this the corporation focuses on attractive niche markets. Artificial grass is an example of such a market.

Thiolon[®] Grass, a business unit of Ten Cate Nicolon in Nijverdal, the Netherlands, is world market leader in the field of artificial grass fibres for sports. It has already obtained a position as exporter to the United States. The market demand exceeds its production capacity. Polyloom has reserve capacity and therefore the acquisition of Polyloom means a welcome combination of forces.

At the end of October last year Royal Ten Cate acquired the company of Nymplex in Nijmegen, the Netherlands. This extrusion company produces special yarns and adds specific technology to Thiolon[®] Grass. Because of this, the company can produce a new generation of artificial grass fibres that combines the good properties of both natural grass and artificial grass.

In the United States, artificial grass is chiefly used for golf courses, baseball and American football fields, with a shift from nylon to polyethylene. In Europe, artificial grass has been used for hockey and tennis fields for quite some time. Through intensive research in recent years, Thiolon[®] Grass has succeeded in making polyethylene-based artificial grass – in the form of LSR (Lower Sliding Resistance) – more and more suitable for football. Because of this, artificial grass is quickly becoming popular on this potentially extensive market.

Royal Ten Cate will publish its 2000 annual results on 21 February 2001.

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