

Growth Platform & Long-Term Capital

Anixter International

Leading global distributor of network, security, electrical, electronic and utility power solutions

INVESTMENT SUMMARY

EGL acquired Anixter in 1986 through Itel Corporation, an NOL holding company that owned rail and container leasing businesses, among others. Sam Zell became chairman of Anixter the same year. By 1991, he had sold off Itel's other investments to focus the company solely on Anixter and renamed the company accordingly.

Sam chaired Anixter through 34 years of growth that established the enterprise as a global industry leader, increasing revenues from \$650 million to \$8.8 billion expanding from three to fifty countries. Anixter was sold to WESCO International in 2020 for \$4.5 billion.

INVESTMENT HIGHLIGHTS

DISTRIBUTION NETWORK

Anixter was Sam's first acquisition that was not a distressed asset. Itel paid twice book value for the company after recognizing the asking price completely discounted the unique sales and distribution pipeline, which enabled vendors to reach smaller buyers. Itel's other assets generated large amounts of cash flow and depreciation, which provided the capital needed to expand Anixter across the globe.

MANAGEMENT

Over the last three decades, Anixter has been stewarded by a number of successful management teams. At the time of sale to WESCO in 2020, the company was led by CEO William Gavin, who had been in place 2018. Bill, like most of the CEOs before him, was promoted from within the company.

BOARD OF DIRECTORS

As Chair, Sam kept a high standard for strong corporate governance and an aggressive, interested and enthusiastic Board of Directors that focused on alignment with management.

ANIXTER'S PRODUCT LINES

- Wire & Cable
- Network Infrastructure
- Electrical Distribution Equipment
- Cabinets, Enclosures & Racks
- Video Surveillance
- Cable & Raceway Support
- Audio & Video
- Mechanical Door Hardware