PE Hub

By: Nina Lindholm
PUBLISHED: 16 March 2026

INDUSTRIAL/MANUFACTURING

Kinderhook Industries wins PE Hub's Mid-Cap North America Deal of the Year Award for sale of VAI to RealTruck

'No other fund understood the value chain of selling through the automotive manufacturer selling through their network. We did,' Tom Tuttle, chairman, Kinderhook, told PE Hub

Nate Druckenmiller (l) & Tom Tuttle(r), Kinderhook Industries

Kinderhook Industries bought Vehicle Accessories Inc in 2019 and grew it significantly through a period that was especially challenging for the auto industry. After a six-year hold that included an add-on spree, Kinderhook sold the business to its former portfolio company, RealTruck, earning PE Hub's Mid-Cap North America Deal of the Year Award.

As new car sales plummeted during the pandemic, holding a vehicle accessories business in a portfolio was a potential recipe for a disaster. However, Kinderhook identified an attractive niche between the aftermarket and original equipment manufacturers with VAI's focus on parts installed by dealers.

Headquartered in Mesquite, Texas, VAI produces accessories for brands including Toyota, Lexus, Ford and General Motors. The company also weathered last year's tariff ups and downs, thanks to what now looks like a prescient focus on local manufacturing.

Kinderhook launched the sale process in 2024 during a period of low M&A activity, depressed new car sales, high interest rates and election-year uncertainty.

"Despite all of that, VAI continued to perform," Nate Druckenmiller, principal at Kinderhook, told PE Hub. "It's a differentiated asset with a defensive profile, even in a challenging deal market, and we were able to monetize that strength and deliver an attractive outcome for our investors."

While the sale process was an auction, RealTruck made a lot of strategic sense as a buyer due to its dealer accessory business line, according to Druckenmiller.

It is also a former Kinderhook portfolio company. "RealTruck understood the space, they knew the business model," Tom Tuttle, chairman of Kinderhook, told PE Hub. "They were a bunch of people we'd worked with in the past, and they got it."

Tuttle viewed a strategic buyer to be more likely than another private equity firm. "It's tough to convince somebody that you can make money selling products to the OEMs."

Understanding value

Kinderhook's experience in the light manufacturing and automotive segments helped the firm see VAI's value back in 2019. "We'd previously invested in businesses serving auto dealerships, and one thing that became very clear is, dealers don't make much on new car sales," said Druckenmiller. "Their real focus is on ancillary products and services that actually drive profitability."

Meanwhile, dealer-installed accessories sit in a "really attractive niche" between aftermarket and OEM, according to Druckenmiller. "Suppliers benefit from aftermarket-like margins, but with the visibility and recurring revenue profile that comes from an OEM award. It's a great place to operate."

It is also a place not many dare to enter. "Most private equity funds threw away the prospect the day it hit their desk," said Tuttle. "No other fund understood the value chain of selling through the automotive manufacturer selling through their network. We did."

That aspect also made the segment ripe for consolidation. "Because private equity was nowhere near this value chain, there was no capital," said Tuttle. "Therefore, there were lots of small players, mostly family-owned, that had no capital or desire to go out of their lane."

Kinderhook grew VAI via several add-on deals. The most recent addition was Maxton Group, a maker of car emblem overlays, badging, LED lighting and tailgate products. VAI bought the company, based in Ormond Beach, Florida, in 2024.

KINDERHOOK'S VAI IN ADD-ON SPREE

The targets were all bought from founders of the businesses

Target	Sector	Date	Target HQ
Maxton Group	Emblem overlays/other accessories	2024	Ormond Beach, FL
Cord Automotive	Aluminum vehicle accessories	2022	Placentia, CA
Remington Global	Floor protection products	2021	Ooltewah, TN
Hope Valley	All-weather floor mats	2020	Lincoln, RI
Accessory Interactive Menu	Web-based sales application	2020	Chicago
Powerflow	Injection-molded plastic accessories	2019	Buffalo, NY

Source: Kinderhook

"The acquisitions generated meaningful synergies," said Druckenmiller. "We centralized purchasing across the platform, and the cross-sell engine performed exactly the way we hoped it would."

Staying local

A focus on local manufacturing gave Kinderhook protection during the sale process. The majority of VAI's manufacturing has been located in the US for the past decade. "Tariffs were not a big negotiating factor, so it not just protected us but gives an advantage over our competitors," Tuttle told PE Hub at the time of the sale.

Druckenmiller elaborated further on tariffs at the time, saying VAI's components are installed directly at US ports or dealerships, creating a non-import tariff scenario.

"It has typically been Kinderhook's strategy to always manufacture locally and as US-focused as possible," Tuttle said. ■