



6821 North Avenue
Oak Park, Illinois 60302

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708.383.9050
www.TheGriffingGroup.com

CASE SUMMARY

Case Name: [Blueblade Capital Opportunities, LLC, et al. v. Norcraft Companies, Inc.](#)
Case Conclusion: July 2018
Caption: Delaware Court of Chancery, C.A. No. 11184-VCS
Keywords: Fair Value, Appraisal Action
Industry: Cabinet Manufacturing
Professionals: [David G. Clarke, ASA](#)

Norcraft Companies, Inc. (“Norcraft”) was a publicly-traded manufacturer of cabinetry. In May 2015, Fortune Brands Home & Security, Inc. acquired Norcraft for \$25.50 per share. Entities related to Blueblade Capital Opportunities objected to the transaction and exercised their appraisal rights as shareholders of Norcraft.

The Griffing Group was retained by counsel for the petitioners. David G. Clarke, ASA, a Managing Principal of the Griffing Group, submitted opening and rebuttal expert reports and testified at the appraisal action’s trial in June 2017, opining that the fair value of Norcraft’s shares was higher than the merger consideration and that the merger consideration should not be relied upon in determining the fair value of the company’s shares.

In his July 2018 opinion, Vice Chancellor Slights agreed with Mr. Clarke, noting that “Norcraft’s deal process did not include a meaningful market check...”. The Vice Chancellor concluded that Norcraft’s fair value was \$26.16 per share, three percent more than the merger consideration. This was the first Chancery Court ruling in more than five years to conclude on a fair value above the deal price in a third party acquisition of a public company.

The petitioners were represented by David A. Jenkins and Robert K. Beste of Smith, Katzenstein & Jenkins LLP.