

Fender® Musical Instruments Corporation Announces Change in Ownership, Servco Pacific Inc. to Secure Majority Stake

Longtime Investor in Fender Acquires Major Ownership After 34 Year Partnership

HOLLYWOOD, CALIF. (JANUARY 27, 2020)—[Fender Musical Instruments Corporation \(FMIC\)](#) today announced [Servco Pacific Inc.](#) (Servco) and [TPG Growth](#) have entered into a sale and purchase agreement in which Servco will acquire TPG's shares in the company. The acquisition is targeted to close in February 2020, subject to certain closing conditions.

"Fender has enjoyed nearly a decade of sustained growth under the joint ownership of Servco and TPG Growth. We thank TPG Growth for their contribution on multiple levels, both strategic and tactical, and for their support to expand into digital products and services," said Andy Mooney, Chief Executive Officer of Fender Musical Instruments Corp. "On an operational level, all will remain the same; Fender will continue with the same exceptional management team who all have been instrumental in our recent growth. We look forward to extending FMIC's long term relationship with Servco who share our core mission to support artists and players at every stage in their musical journey."

"We are extremely proud of the work we've done with Fender's management team to strengthen and solidify Fender's status as a leader and innovator in the world of music," said Scott Gilbertson, Partner at TPG Growth. "Since 2012 we've deployed significant resources to reinvigorate this iconic lifestyle brand. In 2015 we supported Fender's transformation with the addition of Andy Mooney as CEO to reinforce the ongoing improvement of Fender's business, from reenergizing channel relationships and deepening Fender's commitment to product quality and innovation, to engaging directly with consumers, launching market-leading digital learning resources, and reaffirming Fender's unwavering dedication to the artist community. We are grateful for Servco's commitment to Fender and wish them continued success."

"Servco is proud of what Fender has accomplished," added Mark Fukunaga, Chairman and CEO of Servco.

Servco has been involved in the musical instruments industry since 1937, and its relationship with Fender began as a dealer of its products in the 1950's. In 1985, Servco was part of the small investor group that backed industry icon, Bill Schultz, in the buyout of Fender from CBS. Over 25 years later, Servco increased its ownership with the purchase of Weston Presidio's stake in Fender. Through this acquisition, Servco sought to optimize the potential of this iconic music brand and selected TPG Growth as an equal partner in this journey. Fukunaga added "Servco has a 100-year track record that includes stewarding iconic brands through committed, long-term partnerships that span multiple generations. We look forward to deepening our relationship with Andy and the Fender team that will prove beneficial to our community of artists around the world."

Over the last years, Fender has achieved several brand milestones including direct to consumer e-commerce, channeled product innovation (showcased in the most recent launches of the [American](#)

[Acoustasonic](#) and [American Ultra](#) series), streamlining manufacturing capabilities, digital innovation with the creation of a newly branched arm and digital products including its hero app, [Fender Play](#). In addition, research and deeper analysis brought data to the brand, enhancing Fender's offerings and improving the service it provides to customers.

For the last 73 years, Fender has revolutionized music and culture as one of the world's leading musical instrument manufacturers, marketers and distributors. The legacy brand is dedicated to supporting artists, from beginners to history-making legends, on every step of their musical journey, taking a player-centric approach to crafting the highest-quality instruments and digital experiences across genres. In 2015, Fender introduced its digital arm with Fender Play and most recently launched Fender Songs to continue to unlock the power of musical expression for all players.

Please find all executive bios, headshots and brand logos available [here](#).

For additional information please visit www.fender.com. Join the conversation on social media by following @Fender.

#

ABOUT FENDER MUSICAL INSTRUMENTS CORPORATION:

Since 1946, Fender has revolutionized music and culture as one of the world's leading musical instrument manufacturers, marketers and distributors. Fender Musical Instruments Corporation (FMIC)—whose portfolio of brands includes Fender®, Squier®, Gretsch® guitars, Jackson®, EVH® and Charvel®—follows a player-centric approach to crafting the highest-quality instruments and digital experiences across genres. Since 2015, Fender's digital arm has introduced a new ecosystem of products and interactive experiences to accompany players at every stage of their musical journey. This includes innovative apps and learning platforms designed to complement Fender guitars, amplifiers, effects pedals, accessories and pro-audio gear, and inspire players through an immersive musical experience. FMIC is dedicated to unlocking the power of musical expression for all players, from beginners to history-making legends.

ABOUT SERVCO PACIFIC INC.:

Celebrating its 100-year anniversary in 2019, Servco Pacific Inc. is Hawaii's largest privately held company with over \$1.8 billion in annual revenues and 2,000 team members spanning Australia, Hawaii, and California. Founded in 1919 (as a two-car repair garage), Servco is now a diversified business with operations in automotive distribution and retail, car sharing, appliance distribution and retail, and venture and growth capital. Through our businesses, we help steward world-class brands including Toyota, Lexus, Subaru, Fender, Harley-Davidson, Hui and General Electric. Servco is one of the Top 20 largest automotive dealer groups based in the U.S. and has been recognized as one of the "Best Places to Work in Hawaii" for 15 consecutive years. For additional information, visit www.servco.com.

ABOUT TPG GROWTH:

TPG Growth is the middle market and growth equity investment platform of TPG, the global alternative asset firm. With approximately \$14.5 billion of assets under management, TPG Growth targets investments in a broad range of industries and geographies. TPG Growth has the deep sector knowledge, operational resources, and global experience to drive value creation, and help companies reach their full potential. The firm is backed by the resources of TPG, which has more than \$119 billion of assets under management. For more information, please visit www.tpg.com.