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Gallatin-based Samick buys a bigger piece of Steinway

Nashville Business Journal - by [Brandon Gee](#) Staff Writer

Gallatin-based **Samick Music Corporation** has extended its investment in fellow instrument manufacturers with its recent purchase of 1.7 million shares of Waltham, Mass.-based **Steinway Musical Instruments Inc.** (NYSE: LVB).

The November purchase came about one year after Samick purchased German manufacturing firm Seiler Pianos.

Samick purchased the Steinway shares at \$16 each, about 37 percent above the closing market price on Oct. 28, which is the date the purchasing price was set. The purchase increased Samick's holdings in Steinway to 1.9 million shares, a more than 18 percent stake in the company. Samick Chairman Jong Sup Kim joined the Steinway board of directors as part of the deal.

While Samick is now Steinway's largest shareholder of common stock, Steinway Chairman Kyle Kirkland and CEO Dana Messina still hold all of the company's class A shares and more than 80 percent of the company's voting power.

Samick CEO Baik Lee said the Steinway deal gives the company greater opportunity to collaborate and pursue cooperative work relationships.

"We can expect some kind of synergy effect for both companies," Lee said. "Their price (for pianos) is higher than our price. We're not competitors. That's why we can find the win-win strategy in the piano market."

The Seiler purchase and the Steinway deal will not have any immediate impact on the company's operations in Gallatin, which include the company's headquarters and a 200,000-square-foot manufacturing and distribution facility.

Nonetheless, Gallatin Economic Development Agency Executive Director Clay Walker said the news is encouraging.

"The economy being what it is, you always worry about your existing industry," Walker said. "Whenever you see companies that are doing well, especially in these economic times, it always makes you feel good."

Walker said corporate headquarters are Gallatin's top economic development target. The city has five and hopes to attract more, Walker said.

"Whenever corporate clients do well in Gallatin, it sends that message to other clients that it's a valuable place to do business in."

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