

Press Release

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Peak Rock Capital buys Houston-based doughnut and kolache franchisor Shipley Do-Nuts

Founding family to remain an investor as company seeks to expand.

Jan 06, 2021 — An affiliate of private investment firm Peak Rock Capital has purchased Shipley Franchise Company and Shipley Do-nut Flour & Supply Co., which together franchise and supply product for Shipley Do-Nuts, a chain of around 300 units based in Houston and specializing in doughnuts and kolaches, Peak Rock said Wednesday.

Robert Strauss, managing director of Peak Rock, said in a release announcing the acquisition, “Shipley represents an exciting opportunity to invest in a beloved consumer brand with an established reputation for authenticity and quality. We are incredibly impressed with the franchise that the Shipley family has built, and we look forward to partnering with the Company’s management team to invest behind their growth plan. Shipley is deeply committed to continue providing existing franchisee partners with opportunities to grow their business and will actively seek relationships with new partners who are interested in being a part of our growing concept.”

Shipley Do-Nuts was founded in 1936 by Lawrence Shipley. His grandson, Lawrence Shipley III, is retiring from the company concurrent with its sale to Peak Rock. Shipley indicated that his family remains an investor in the chain.

“My grandfather, father, and I have dedicated our lives to serving Shipley Do-Nuts, our franchisees and our guests. After an exhaustive search, it became clear that Peak Rock Capital was the ideal steward of our business as it pursues the next stage of growth,” he said. “My family is thrilled to continue as investors in the Company, and we look forward to the exciting growth to come.”

Peak Rock said this was its 12th investment in the food & beverage and consumer sectors.

According to its website, its currently portfolio includes snack food companies Halo Foods Ltd. and Pretzels Inc.; Turkey Hill, which manufactures and distributes ice cream and refrigerated drinks; food product manufacturers Louisiana Fish Fry, TNT Crust and Diamond Crystal Brands Inc.; dairy company Berner Food & Beverage; and honey producer Natural American Foods

Peak Rock CEO Anthony DiSimone said the purchase of Shipley Do-Nuts, “further exemplifies Peak Rock’s deep experience investing in founder and family-owned businesses and highlights our continued interest in attractive investments in the food, beverage, and multi-unit consumer sectors.”

He said the firm, based in Austin, Texas, would continue to seek consumer-oriented brands.