

GROWING AND PROFITABLE FABRICATOR OF ELECTRICAL REPAIR COMPONENTS FOR THE MOTORSPORT INDUSTRY

New and rebuilt assemblies and product sold through a network of over 5000 dealers

2006 Revenue: \$6,776,000; Location: Northeast: 2006 Recast EBITDA: \$1,449,000

- **Superior name and reputation:** The Company enjoys a long-term reputation (25+ years) for its focus on providing charging and starting components to the motorsport industry, reliable expertise, and superior customer support.
- **Competitive differentiation:** The Company differentiates itself from the competition primarily by having more background knowledge of the parts and needs of the motorsport industry. Unlike its competitors, the Company covers all aspects of the charging and starting system, and sells these products to distributors, dealers and repair shops, and retail end users.
- **National and international reach:** According to management, nationwide sales are dispersed approximately the same as registered motorcycles and ATVs throughout the US. The Company currently has active international distributors in New Zealand, Canada, and the United Kingdom.
- **Consistent growth in sales:** Sales increased from \$4,912,000 in 2004 to \$6,776,000 in 2006, resulting in a Compound Annual Growth Rate ("CAGR") of 20.5%. Sales growth during this period was due primarily to the Company's solid client base, respected name in the industry, and offering a more diverse selection of parts than its competitors.

For more information on
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Client # 51382

Business Description: The Company is a value-added fabricator and reseller of charging components for the motorsport industry. This industry includes motorcycles, all-terrain vehicles (ATVs), off-road dirt bikes, watercraft, and snowmobiles. Most of the Company's products are sourced off-shore as component pieces, and finished products are fabricated in-house. During 2006, revenues were derived from the sale of starter motors (28% of sales), stators (24%), regulator rectifiers (20%), rebuilt products (11%), CDI boxes (7%), brushes and kits (4%), coils (3%), and solenoid switches (3%).

A total customer base of over 5,000 clients, including a recurring base of approximately 4,800 active accounts, consists of distributors (74% of sales during 2006), dealers and repair shops (22%), and retailers (4%) catering to the motorsport and recreational vehicle industry.