

Manufacturer – Tubular Components for Heating and Air Conditioning Industry

A Stellar Reputation built on a history of innovation and reliable, accurate, and dependable customer service sets this Company apart.

Est. 2018 Revenue \$15.5 MM EBITDA \$3.4MM

Investment Highlights

- ***Industry Innovator with Patent, Patent Pending and Proprietary Solutions:*** The Company has used its experience and expertise to develop patent, patent-pending and proprietary solutions, its automated brazing process and its manual brazing station design. This intellectual property can also be licensed to other shops and other industries to improve their bottom line.
- ***High volume production capability:*** The Company has outfitted its manufacturing facility with the necessary equipment and personnel to support high volume production. Currently operating at 65% capacity the operation could easily support additional production to service expanded market opportunities.
- ***Quality driven products:*** Bar coding during each step of the manufacturing process and 100% testing prior to packaging ensures quality, consistent conformity to customer specification and error traceability to fix problems quickly. The commitment to quality is evidenced by significantly lower than industry standards ppm and higher than industry standard customer quality audit scores.
- ***Strong Management Team and Experienced Employees:*** Employees consist of skilled and dedicated individuals many of whom have 30+ years of experience. The second-tier management team essentially runs the business and is expected to stay post-transaction.
- ***High Barriers to Entry:*** The significant capital investment to purchase manufacturing equipment, establish relationships with customers and hire a skilled employee base and management team is a significant barrier to entry for new competitors.

For more information regarding client #: 18424 please contact:

eMerge M&A, Inc.

Business Overview

This is a compelling opportunity to acquire a premier manufacturer with a proven business model and impressive financial results. As an industry leading, quality driven, customer focused, manufacturer of residential high-volume aluminum and copper manifolds, headers and distributors for residential HVAC equipment manufacturers, the company's U.S.-based manufacturing facilities and well-trained team can support significant growth and expansion. Its intellectual property includes patented and patent-pending solutions for joining dissimilar materials, and automated and manual brazing solutions that significantly reduce labor costs.

With a turnkey operation and excess capacity already in place, The Company is well positioned for accelerated, new growth. Negotiations for expansion within its existing markets are already underway, and when realized will likely result in a minimum 35% increase in revenue within 18 months.

Given the expertise in place, expansion into adjacent markets, e.g. auto, appliance or construction electronics, would present additional attractive growth opportunities. While ISO certification has not been sought, there are no anticipated barriers to achieving certification.

The patents and processes represent intellectual property that can easily be applied to other industrial opportunities. This represents an untapped opportunity to gain license revenue by leveraging these innovations to other industries.

For more information regarding client #: 18424 please contact:

eMerge M&A, Inc.