

INDUSTRIALS

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Industrial Technology

Industry News

Casco Development Acquired by CAI Software

Mirus [Full Article](#)

CAI Software LLC has acquired Portland, Maine-based Casco Development LLC, adding 22 employees to the company, the two companies announced.

Casco will maintain its Portland offices, retaining its entire staff, the companies said. CAI also plans to expand the Portland office to hire more workers in consulting, engineering, marketing, sales and account management.

"Casco Development's ShopVue application is market leading, best-in-class software and there is a tremendous opportunity for growth," Brian Rigney, CEO for CAI, said in a statement. "We also are excited to work with a smart team with an exceptional 'can do' attitude right here in Portland, Maine – one of the best cities in the United States. Our focus will include expanding the team and extending ShopVue's position as a market innovator."

Thermo Fisher Acquires Gatan from Roper

Gatan [Full Article](#)

Thermo Fisher Scientific Inc. (NYSE: TMO), the world leader in serving science, and Roper Technologies, Inc. (NYSE: ROP), a leading diversified technology company, announced that they have entered into a definitive agreement under which Thermo Fisher will acquire Gatan, Inc., a wholly owned subsidiary of Roper, for approximately \$925 million in cash. Gatan is a leading manufacturer of instrumentation and software used to enhance and extend the operation and performance of electron microscopes.

Gatan's technologies are used in materials science, electronics and life sciences to enable electron microscopy workflows – from specimen preparation and manipulation to imaging and analysis. These solutions, which are platform agnostic, include filter systems, cameras and proprietary software.

Bruker Acquires Anasys Instruments

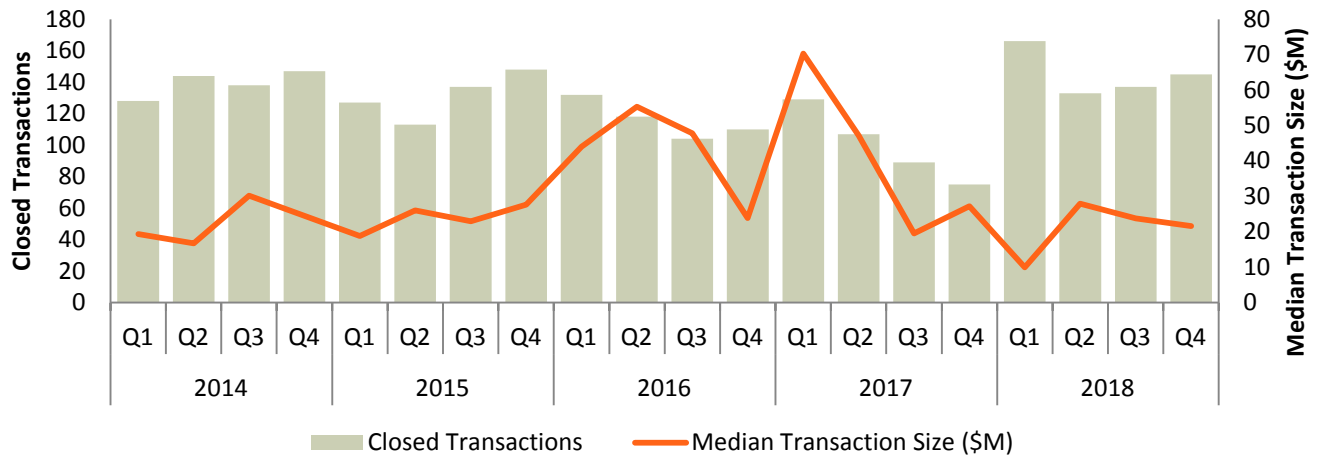
PR Newswire [Full Article](#)

Bruker has acquired Anasys Instruments Corp., a privately held company that develops and manufactures nanoscale infrared spectroscopy and thermal measurement instruments. This acquisition adds to Bruker's portfolio of Raman and FTIR spectrometers, as well as to its nanoscale surface science instruments, such as atomic force microscopy and white-light interferometric 3D microscopy. Financial details of the transaction were not disclosed.

Headquartered in Santa Barbara, California, Anasys Instruments Corp. has pioneered the field of nanoprobe-based thermal and infrared measurements. Its industry-leading nanoIR™ products are used by premier academic and industrial scientists and engineers in soft-matter and hard-matter materials science, and in life science applications. Recently Anasys introduced even higher performance with 10 nanometer resolution nanoIR imaging.

Industrial Technology

Industrial Technology M&A Environment



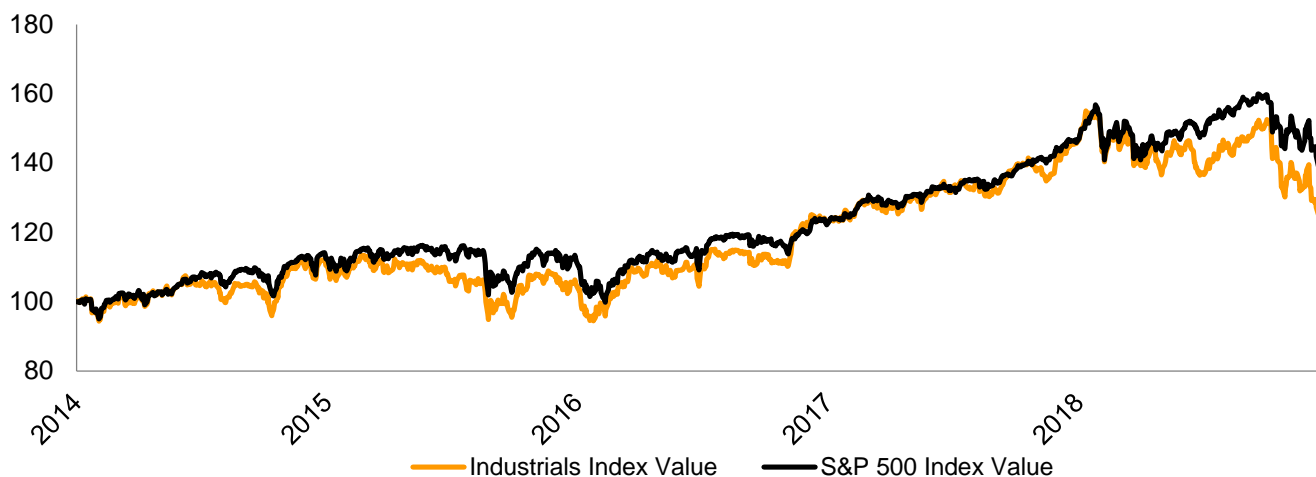
*For the purposes of compiling data, we define constituents in the Industrial Technology sector as companies that make production faster and more efficient through the use of engineering. The data contains global deals of all sizes. Transaction values of less than \$1 million have been excluded from the median calculation.

Selected Q4 2018 Industrial Technology Transactions

Date Closed	Target	Buyers/Investors	Sector	Enterprise Value (\$M)	EV / LTM	
					Revenue	EBITDA
12/31/2018	Powernet Oy	Efore Oyj (HLSE:EFO1V)	Electrical Components and Equipment	7	0.6x	6.7x
12/31/2018	Precision-Hayes International Inc.	General Technologies, Inc.	Machinery Components	24	-	-
12/19/2018	Casco Development LLC	CAI Software LLC	Manufacturing Software			
12/11/2018	GTK (UK) Ltd	Volex plc (AIM:VLX)	Electrical Components and Equipment	18	0.9x	-
12/10/2018	Oclaro, Inc.	Lumentum Holdings Inc. (NasdaqGS:LITE)	Communications Equipment	1,493	2.5x	10.4x
12/7/2018	Alpha Technologies Services, Inc.	EnerSys (NYSE:ENS)	Electrical Components and Equipment	750	1.3x	11.2x
12/4/2018	Nippon Oil Pump Co., Ltd.	CITIC Capital Partners	Pumps and Pumping Equipment	96	1.8x	11.0x
11/27/2018	Spectro Scientific, Inc.	AMETEK, Inc. (NYSE:AME)	Electronic Equipment and Instrument:	190	3.8x	-
11/13/2018	Bimetal Bearings Limited (BSE:505681)	Simpson and Company Limited	Machinery Components	28	1.1x	14.7x
11/9/2018	Lime Energy Co.	Willdan Energy Solutions, Inc.	Electrical Components and Equipment	120	0.9x	19.3x
11/9/2018	Transnorm Beteiligungen GmbH	Honeywell International Inc. (NYSE:HON)	Conveyors and Conveying Equipment	492	4.3x	-
11/2/2018	ParkingEye Limited	MML Capital Partners; Macquarie Principal Finance	Electronic Equipment and Instrument:	311	5.9x	-
10/17/2018	Xerium Technologies, Inc.	Andritz AG (WBAG:ANDR)	Machinery Components	741	1.5x	7.5x
10/8/2018	Global Heat Transfer Ltd.	Forum Energy Technologies, Inc. (NYSE:FET)	Machinery Components	52	-	-
10/2/2018	Energy Team S.p.A.	Falck Renewables S.p.A. (BIT:FKR)	Power Generation Equipment	36	2.3x	7.0x
10/1/2018	Agile Magnetics, Inc.	Standex International Corporation (NYSE:SXI)	Electronic Components	39	2.3x	-
10/1/2018	Foxlink Image Technology Co., Ltd.	FIT Holding Co., Ltd. (TSEC:3712)	Electronic Equipment and Instrument:	116	0.8x	8.3x
10/1/2018	Stevens Holding Company, Inc.	Altra Industrial Motion Corp. (NasdaqGS:AIMC)	Machinery Components	2,811	3.1x	13.5x

Industrials

Despite market volatility in the fourth quarter of 2018, the Industrials market has been strong from an M&A and valuation perspective. Industry valuations hit all time highs in 2018, while transaction volume remained steady. Key industry growth drivers include digital integration, the rising U.S. defense spending budget, and increasing investment in infrastructure.



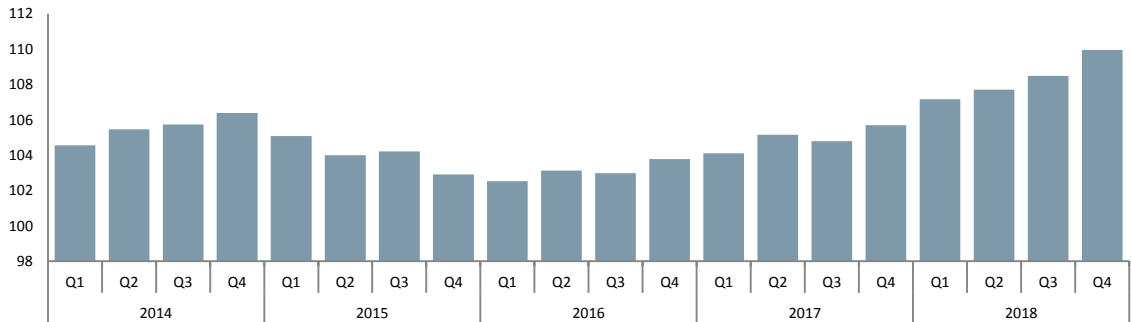
Company Name	Ticker	Enterprise Value	LTM Financials			Valuation Metrics			LTM Margins	
			Revenue	Gross Profit	EBITDA	EV / Revenue	EV / Gross Profit	EV / EBITDA	Gross Margin	EBITDA Margin
3M Company	NYSE:MMM	\$122,351	\$32,765	\$16,083	\$8,149	3.7x	7.6x	15.0x	49.1%	24.9%
Alaska Air Group	NYSE:ALK	\$8,135	\$8,264	\$2,093	\$1,184	1.0x	3.9x	6.9x	25.3%	14.3%
American Airlines Group	NasdaqGS:AAL	\$34,701	\$44,541	\$11,890	\$5,607	0.8x	2.9x	6.2x	26.7%	12.6%
Arconic	NYSE:ARNC	\$13,038	\$13,813	\$2,502	\$1,800	0.9x	5.2x	7.2x	18.1%	13.0%
Boeing Company	NYSE:BA	\$185,109	\$101,127	\$19,637	\$13,915	1.8x	9.4x	13.3x	19.4%	13.8%
C. H. Robinson Worldwide	NasdaqGS:CHRW	\$12,606	\$16,631	\$1,362	\$1,009	0.8x	9.3x	12.5x	8.2%	6.1%
Caterpillar	NYSE:CAT	\$103,612	\$54,722	\$14,903	\$11,043	1.9x	7.0x	9.4x	27.2%	20.2%
CSX	NasdaqGS:CSX	\$64,974	\$12,250	\$6,104	\$6,104	5.3x	10.6x	10.6x	49.8%	49.8%
Cummins	NYSE:CMI	\$23,317	\$23,121	\$5,557	\$2,938	1.0x	4.2x	7.9x	24.0%	12.7%
Deere & Co.	NYSE:DE	\$86,857	\$37,318	\$8,984	\$5,940	2.3x	9.7x	14.6x	24.1%	15.9%
Delta Air Lines	NYSE:DAL	\$42,620	\$44,438	\$11,204	\$7,584	1.0x	3.8x	5.6x	25.2%	17.1%
Dover	NYSE:DOV	\$13,454	\$6,992	\$2,560	\$1,126	1.9x	5.3x	12.0x	36.6%	16.1%
Eaton Corporation	NYSE:ETN	\$36,594	\$21,609	\$7,098	\$3,874	1.7x	5.2x	9.4x	32.8%	17.9%
Emerson Electric Company	NYSE:EMR	\$41,123	\$17,739	\$7,607	\$3,664	2.3x	5.4x	11.2x	42.9%	20.7%
Expeditors International	NasdaqGS:EXPD	\$10,763	\$7,804	\$1,044	\$828	1.4x	10.3x	13.0x	13.4%	10.6%
FedEx Corporation	NYSE:FDX	\$57,282	\$68,716	\$18,410	\$8,648	0.8x	3.1x	6.6x	26.8%	12.6%
Fluor	NYSE:FLR	\$4,488	\$19,393	\$709	\$757	0.2x	6.3x	5.9x	3.7%	3.9%
Fortive	NYSE:FTV	\$26,472	\$7,244	\$3,646	\$1,731	3.7x	7.3x	15.3x	50.3%	23.9%
General Dynamics	NYSE:GD	\$58,629	\$36,193	\$4,502	\$5,265	1.6x	13.0x	11.1x	12.4%	14.5%
General Electric	NYSE:GE	\$184,103	\$121,615	\$21,819	\$13,049	1.5x	8.4x	14.1x	17.9%	10.7%
Grainger (W.W.)	NYSE:GWW	\$17,783	\$11,221	\$4,348	\$1,601	1.6x	4.1x	11.1x	38.7%	14.3%
Honeywell Int'l	NYSE:HON	\$104,589	\$41,802	\$12,756	\$7,821	2.5x	8.2x	13.4x	30.5%	18.7%
Illinois Tool Works	NYSE:ITW	\$47,855	\$14,768	\$6,164	\$4,045	3.2x	7.8x	11.8x	41.7%	27.4%
Ingersoll-Rand	NYSE:IR	\$25,514	\$15,668	\$4,821	\$2,279	1.6x	5.3x	11.2x	30.8%	14.5%
J. B. Hunt Transport Services	NasdaqGS:JBHT	\$11,220	\$8,615	\$1,461	\$1,110	1.3x	7.7x	10.1x	17.0%	12.9%
Jacobs Engineering Group	NYSE:JEC	\$9,769	\$14,985	\$2,828	\$876	0.7x	3.5x	11.2x	18.9%	5.8%
Johnson Controls International	NYSE:JCI	\$39,487	\$31,559	\$9,407	\$4,724	1.3x	4.2x	8.4x	29.8%	15.0%
L-3 Communications Holdings	NYSE:LLL	\$16,587	\$10,244	\$2,707	\$1,347	1.6x	6.1x	12.3x	26.4%	13.1%
Lockheed Martin	NYSE:LMT	\$88,362	\$53,762	\$7,370	\$8,591	1.6x	12.0x	10.3x	13.7%	16.0%
Masco	NYSE:MAS	\$11,508	\$8,173	\$2,639	\$1,291	1.4x	4.4x	8.9x	32.3%	15.8%
Nielsen Holdings	NYSE:NLSN	\$16,640	\$6,618	\$3,786	\$1,610	2.5x	4.4x	10.3x	57.2%	24.3%
Norfolk Southern	NYSE:NSC	\$51,413	\$11,458	\$5,061	\$5,063	4.5x	10.2x	10.2x	44.2%	44.2%
Northrop Grumman	NYSE:NOC	\$56,196	\$30,095	\$6,820	\$5,003	1.9x	8.2x	11.2x	22.7%	16.6%
PACCAR	NasdaqGS:PCAR	\$25,790	\$23,496	\$3,520	\$3,743	1.1x	7.3x	6.9x	15.0%	15.9%
Parker-Hannifin	NYSE:PH	\$23,861	\$14,518	\$3,691	\$2,539	1.6x	6.5x	9.4x	25.4%	17.5%
Quanta Services	NYSE:PWR	\$5,274	\$10,538	\$1,383	\$747	0.5x	3.8x	7.1x	13.3%	7.1%
Raytheon	NYSE:RTN	\$47,180	\$27,058	\$7,485	\$3,876	1.7x	6.3x	12.2x	27.7%	14.3%
Republic Services	NYSE:RSG	\$31,570	\$10,071	\$3,854	\$2,804	3.1x	8.2x	11.3x	38.3%	27.8%
Robert Half International	NYSE:RHI	\$6,467	\$5,800	\$2,410	\$653	1.1x	2.7x	9.9x	41.6%	11.3%
Rockwell Automation	NYSE:ROK	\$18,989	\$6,722	\$2,911	\$1,476	2.8x	6.5x	12.9x	43.3%	22.0%
Ryder System	NYSE:R	\$8,779	\$8,115	\$1,586	\$1,889	1.1x	5.5x	4.6x	19.5%	23.3%
Southwest Airlines	NYSE:LUV	\$25,784	\$21,965	\$7,245	\$4,368	1.2x	3.6x	5.9x	33.0%	19.9%
Textron	NYSE:TXT	\$13,890	\$13,972	\$1,267	\$1,585	1.0x	11.0x	8.8x	9.1%	11.3%
Union Pacific	NYSE:UNP	\$122,357	\$22,832	\$11,730	\$10,708	5.4x	10.4x	11.4x	51.4%	46.9%
United Parcel Service	NYSE:UPS	\$102,349	\$71,861	\$34,136	\$8,750	1.4x	3.0x	11.7x	47.5%	12.2%
United Rentals	NYSE:URI	\$18,328	\$8,047	\$3,430	\$2,392	2.3x	5.3x	7.7x	42.6%	29.7%
United Technologies	NYSE:UTX	\$120,346	\$66,501	\$16,516	\$11,749	1.8x	7.3x	10.2x	24.8%	17.7%
Waste Management	NYSE:WM	\$47,876	\$14,724	\$5,591	\$4,139	3.3x	8.6x	11.6x	38.0%	28.1%

Median	1.6x	6.4x	10.5x	27.0%	15.9%
Mean	1.9x	6.7x	10.2x	29.3%	18.2%

Industrials

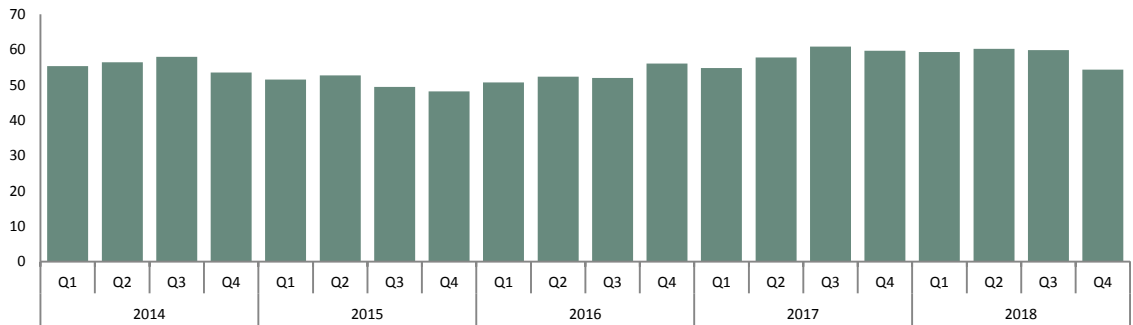
State of the Industry

U.S. Industrial Production Index (Seasonally Adjusted)



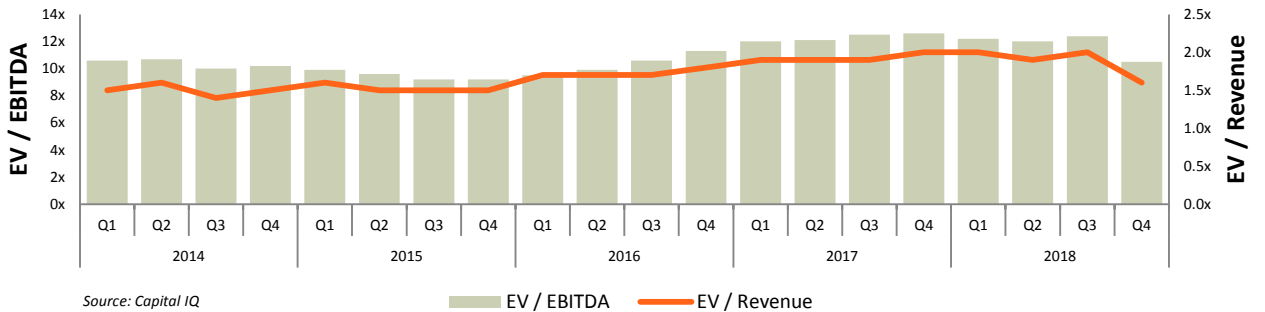
Source: Federal Reserve

Purchasing Managers Index



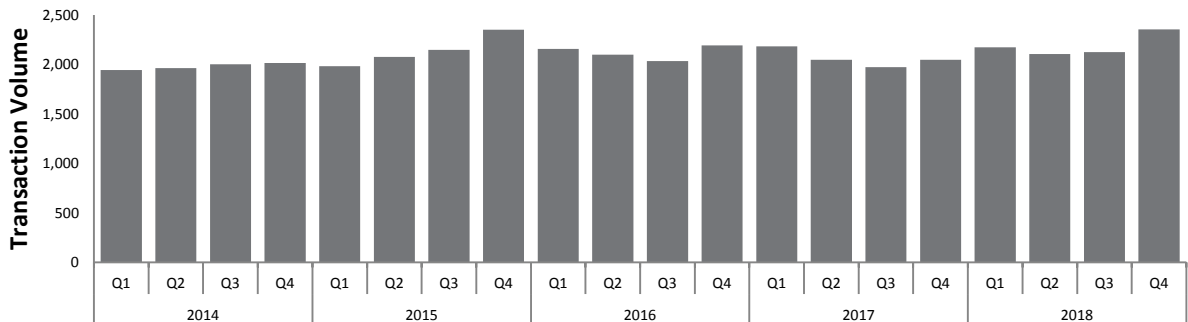
Source: Institution for Supply Management

Industry Valuations



Source: Capital IQ

Industrials Transaction Volume



Source: Capital IQ



The Value of Accomplishment

The highest level of expertise and hard work is what accomplishment requires. It's what you deserve and what we do.

- We sweat the small stuff.
- Take a 3:00am call.
- Say yes.
- Say no.
- Dig deeper when things get tough.
- And celebrate with you when your efforts pay off and you can reflect on it all and say, "It's really remarkable what we've accomplished here."
- Then and only then, will we know that we've accomplished something meaningful, too.

About Mirus

Mirus' Industrial team has experience working with owners of growth industrial businesses and distressed industrials, executing corporate carve-outs, strategic sales and leveraged buy-outs. Much of our work is with closely-held companies – niche leaders who have the industry leading solution in a sub \$200 million market. The companies often have strategic value to large corporations serving the broader market - acquirers who can integrate a product line into their portfolio. For larger industrial companies, Mirus has advised buyers and sellers on M&A, including leveraged buy-outs, and has executed corporate divestitures and restructurings.

Partners Spotlight

Alan Fullerton and Andrew Crain are the leaders of our Industrial team. Alan and Andrew have decades of experience advising companies in the Industrial space. They have a demonstrated record of managing and closing dozens of engagements with companies in the industry. Alan has been nationally recognized by M&A Advisor as a sector finalist across multiple industries and has an MBA from Ecole des Ponts (France), an MS in Electrical Engineering from Brown University, and a BS in Mechanical Engineering from MIT. Andrew began his career as an attorney at Foley Hoag LLP and has prior experience as a fifth-generation family business owner and CEO. Andrew graduated from Williams College and the University of Michigan Law School.



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"The Mirus team successfully guided us through every aspect of the transaction, from identifying prospective buyers through closing. They conducted a thorough process and we are delighted by the outcome."

Mirus Industrial Spotlight



has been acquired by



Casco Development, Inc. is a leading provider of shop floor productivity software for mid-sized and large manufacturers. CAI Software is a business consulting, enterprise resource planning software development and IT support services company with products and services related to the lumber, seafood, wholesale food processing and distributions sectors, as well as the jewelry manufacturing and distribution, and precious metals recycling, refining and manufacturing sectors.



has been acquired by



AIC is a leading specialty chemical and ingredients distributor based in Framingham, Massachusetts. LeBaronBrown is a private investment firm with a multi-decade orientation and a strategy to bring capital and resources to company management teams to enable growth over a multi-decade period. AIC joins Charkit Chemical Company LLC, acquired in June of 2017, under the same parent company. This transaction positions AIC for long-term, continued growth, building upon the success of its dedicated team.



has been acquired by



MagneMotion is a provider of intelligent transport systems based on patent protected linear synchronous motor (LSM) technology. Rockwell Automation Inc. (NYSE: ROK), the world's largest company dedicated to industrial automation and information, makes its customers more productive and the world more sustainable. The acquisition of MagneMotion expands Rockwell Automation's independent cart technology and complements its acquisitions of iTRAK Technology and Jacobs Automation.



has been acquired by



FleetLogix provides outsourced labor to rental car agencies across the U.S.. The company uses a proprietary technology platform to track and analyze performance at each site, to ensure quality and efficiency in its service delivery, and to provide data and metrics to its managers and its clients. Striker Partners is a private, family-based investment firm formed to make majority equity investments in profitable and growing businesses. Striker Partners brings technology expertise to the company and represents a great cultural fit.



has been acquired by



Newcan supplies components to the automotive and trucking industries and is a leader in manufacturing precision metal stampings and perforated components. Falls Stamping & Welding is located in Cuyahoga Falls, Ohio and operates in the metal parts industry. Falls Stamping is recognized for the breadth of manufacturing capabilities. The acquisition of Newcan expands the company's offerings.