



### In This Issue:

- Industry News
- Transactions
- State of the Industry
- About Mirus
- Mirus Industrial Spotlight

© Mirus Capital Advisors, Inc. 2024

# Industrial Technology

## Industry News

### **Outlook: Autonomous farm robots will see a major increase in adoption**

PitchBook [Full Article](#)

Once reliant on sweat and muscle, farming is entering a new era driven by machines. With labor shortages plaguing the industry worldwide, farmers are turning to advanced technology like robots and AI to fill the gap. These innovations have reached a tipping point, making them not just feasible but the natural next step for widespread adoption.

Leading the charge are industry giants like John Deere, a long-time player in agricultural machinery, and its AI and computer vision arm, Blue River Technology. Deere, a dominant force in the space, boasts a lineup of autonomous tractors and implements, showcasing the future of farming.

### **Data-driven maintenance as a margin enhancer**

ATS [Full Article](#)

Sensors, remote monitoring, and connected devices are hot topics in manufacturing for a reason. First, sensors are becoming cheaper and more prevalent, communication networks are faster and more reliable, and manufacturers are getting better at using data for predictive maintenance. This is crucial, especially after the financial hardships faced by many facilities in recent years. Unplanned downtime costs money, and predictive maintenance can significantly reduce it.

Furthermore, the arrival of 5G networks provides the bandwidth and speed needed to send even more data from devices to central servers, allowing for even more proactive downtime prevention. This combination of factors presents a powerful opportunity for manufacturers to improve efficiency and save money in a challenging market.

### **America's coast-to-coast EV-charging network: Where—and how—it could roll out**

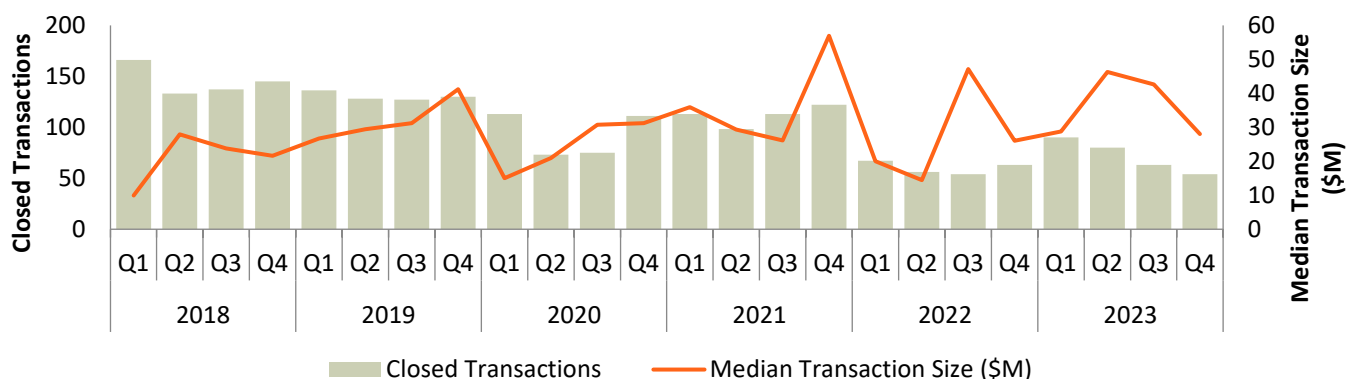
PwC [Full Article](#)

The increased use of electric vehicles in the United States will result in a growing demand for an enhanced public charging infrastructure to accommodate this surge in adoption. A recent analysis by PwC predicts that the number of electric vehicles (EVs) on U.S. roads will reach 27 million by 2030, with the EV supply equipment market expected to hit \$100 billion by 2040.

While government funding will boost the number of public chargers, PwC predicts most of a national network will rely on private companies. These companies will need to overcome challenges like ensuring their charging systems work together, meeting electricity grid demands, and partnering with carmakers. Companies entering the EV charging space face several hurdles. They'll need to ensure their hardware is compatible with different charger types, comply with utility regulations, partner with car manufacturers, build reliable IT networks, and integrate with cloud-based systems.

# Industrial Technology

## Industrial Technology M&A Environment



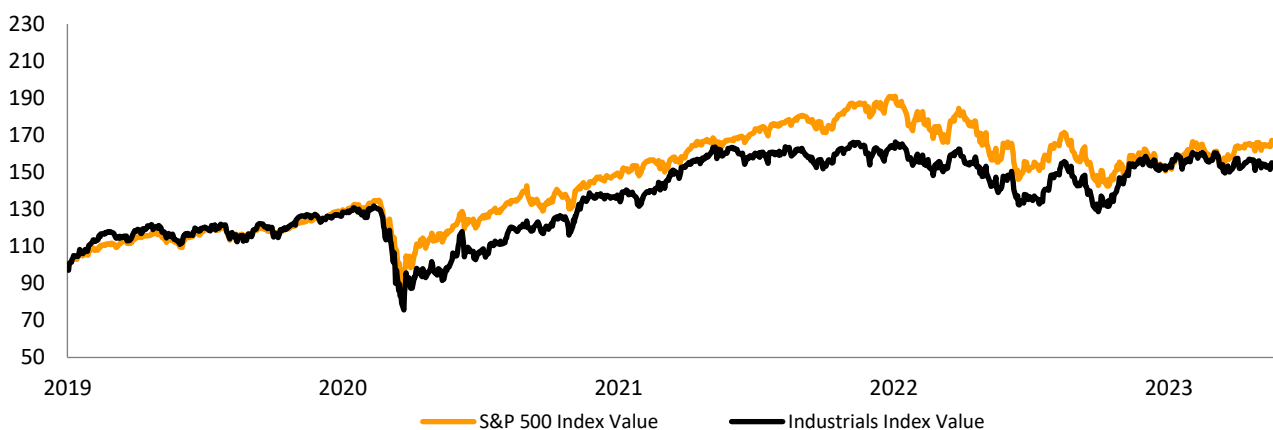
\*For the purposes of compiling data, we define constituents in the Industrial Technology sector as companies that make production faster and more efficient through the use of engineering. The data contains global deals of all sizes. Transaction values of less than \$1 million have been excluded from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

## Selected Q4 2023 Industrial Technology Transactions

Date Closed	Target	Buyers/Investors	Enterprise Value (\$M)
10/02/2023	Rosa Sistemi S.p.A.	The Timken Company (NYSE:TKR)	-
10/03/2023	H2O Innovation Inc.	Caisse de dépôt et placement du Québec; Investissement Québec; Ember Infrastructure	335.84
10/22/2023	Henan Zailiang New Energy Limited	China Carbon Renewable Energy (Shenzhen) Limited	-
10/24/2023	Jiawei Renewable Energy Co., Ltd.	Guoyuan Securities Company Limited (SZSE:000728)	558.2
10/25/2023	MobileQubes Inc.	Fuze Technology Inc.	-
10/26/2023	Tornos Holding AG	StarragTornos Group AG (SWX:STGN)	115.59
10/30/2023	Superior Technical Ceramics Corp.	IDEX Corporation (NYSE:IEX)	206.0
11/09/2023	HotaluX, Ltd	WILLTEC Co.,Ltd. (TSE:7087)	-
11/22/2023	Taihan Copper Tech Co., Ltd.	Hoban Group	34.5
11/25/2023	Wolong Electric Yinchuan	Zhejiang Times Jintai Environmental Technology Co., Ltd.	46.35
11/30/2023	Shore Auto Rubber Exports Pvt. Ltd.	Sundaram Industries Ltd	14.25
12/01/2023	SOGOS - FANAM s.r.o	Oriens	-
12/04/2023	Daechang Solution Co., Ltd.	Kim Dae-seong	98.98
12/07/2023	Gold Crest LLC	WITHit, LLC	-
12/12/2023	Qingdao Guolin Technology Group Co.,Ltd.	Shanghai Chiyao Investment Co., Ltd	377.73
12/12/2023	Völkel Mikroelektronik GmbH	Dacke Industri AB	-
12/13/2023	Hangzhou Walsin Power Cable & Wire Co. Ltd.	Dongguan Walsin Wire & Cable Co., Ltd.	70.14
12/21/2023	Ex-Tech System AS	IKM Gruppen AS	-
12/27/2023	Anhui Nandu Huatuo New Energy Technology Co.	ZHEJIANG NARADA POWER SOURCE Co., Ltd. (SZSE:300068)	314.9
12/21/2023	Plalite Limited	Karnell Group AB (publ)	-

# Industrials

Despite a decline in industrial M&A deals in 2023, tempered optimism reigns for 2024. While strategic acquisitions are replacing mega-deals, companies are actively preparing for a potential rebound fueled by improved market conditions. According to PWC, "Companies are increasingly undertaking thorough portfolio reviews as they seek to divest non-core assets and market dynamics continue to give buyers pause with respect to making acquisitions . . . a rebound in M&A activity will most likely require improved macroeconomic clarity, increased corporate confidence, and stable financing markets."



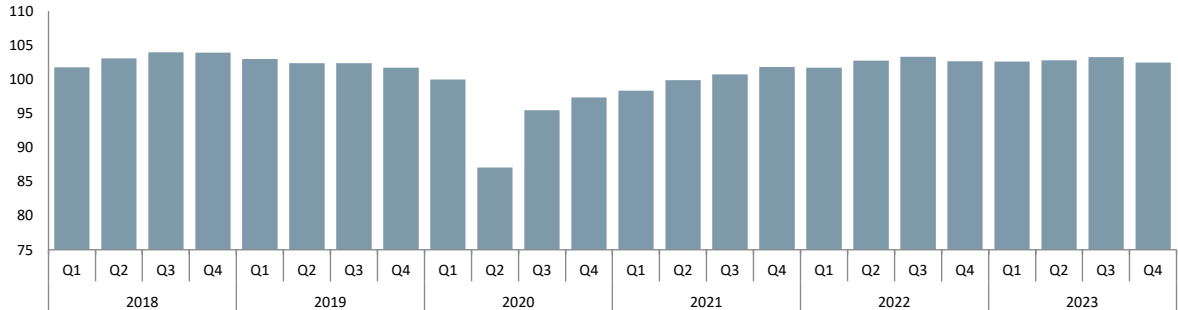
Company Name	CIQ	Ticker	Enterprise Value	LTM Financials			Valuation Metrics			LTM Margins	
				Revenue	Gross Profit	EBITDA	EV / Revenue	EV / Gross Profit	EV / EBITDA	Gross Margin	EBITDA Margin
3M Company (NYSE:MMM)	MMM	NYSE:MMM	\$74,142	\$32,747	\$14,433	\$7,786	2.2x	5.0x	9.3x	44.1%	23.8%
AECOM (NYSE:ACM)	ACM	NYSE:ACM	\$14,355	\$14,378	\$945	\$969	1.0x	15.2x	14.8x	6.6%	6.7%
AGCO Corporation (NYSE:AGCO)	AGCO	NYSE:AGCO	\$10,613	\$14,511	\$3,735	\$2,052	0.7x	2.8x	5.2x	25.7%	14.1%
Air Canada (TSX:AC)	TSX:AC	TSX:AC	\$9,677	\$15,774	\$5,252	\$2,372	0.6x	1.8x	4.1x	33.3%	15.0%
American Airlines Group Inc. (NasdaqGS:AAL)	AAL	NasdaqGS:AAL	\$39,603	\$52,914	\$14,532	\$7,139	0.7x	2.7x	5.5x	27.5%	13.5%
Avis Budget Group, Inc. (NasdaqGS:CAR)	CAR	NasdaqGS:CAR	\$31,972	\$12,015	\$5,024	\$3,327	2.7x	6.4x	9.6x	41.8%	27.7%
Bombardier Inc. (TSX:BBD.B)	BBD.B	TSX:BBD.B	\$9,364	\$7,639	\$1,509	\$819	1.2x	6.2x	11.4x	19.8%	10.7%
C.H. Robinson Worldwide, Inc. (NasdaqGS:CHRW)	CHRW	NasdaqGS:CHRW	\$11,855	\$18,441	\$1,261	\$689	0.6x	9.4x	17.2x	6.8%	3.7%
Canadian National Railway Company (TSX:CNR)	TSX:CNI	TSX:CNR	\$95,303	\$12,742	\$7,153	\$6,734	7.5x	13.3x	14.2x	56.1%	52.8%
Caterpillar Inc. (NYSE:CAT)	CAT	NYSE:CAT	\$179,254	\$66,587	\$20,303	\$15,738	2.7x	8.8x	11.4x	30.5%	23.6%
CSX Corporation (NasdaqGS:CSX)	CSX	NasdaqGS:CSX	\$86,185	\$14,707	\$7,273	\$7,273	5.9x	11.9x	11.9x	49.5%	49.5%
Cummins Inc. (NYSE:CMI)	CMI	NYSE:CMI	\$40,264	\$33,292	\$8,067	\$4,609	1.2x	5.0x	8.7x	24.2%	13.8%
Deere & Company (NYSE:DE)	DE	NYSE:DE	\$171,111	\$61,222	\$21,117	\$16,572	2.8x	8.1x	10.3x	34.5%	27.1%
Delta Air Lines, Inc. (NYSE:DAL)	DAL	NYSE:DAL	\$48,656	\$57,260	\$12,175	\$7,424	0.8x	4.0x	6.6x	21.3%	13.0%
Emerson Electric Co. (NYSE:EMR)	EMR	NYSE:EMR	\$62,189	\$15,165	\$7,427	\$3,869	4.1x	8.4x	16.1x	49.0%	25.5%
FedEx Corporation (NYSE:FDX)	FDX	NYSE:FDX	\$94,668	\$87,945	\$24,257	\$11,092	1.1x	3.9x	8.5x	27.6%	12.6%
Fluor Corporation (NYSE:FLR)	FLR	NYSE:FLR	\$5,657	\$15,364	\$544	\$392	0.4x	10.4x	14.4x	3.5%	2.6%
General Dynamics Corporation (NYSE:GD)	GD	NYSE:GD	\$80,381	\$41,455	\$6,580	\$4,816	1.9x	12.2x	16.7x	15.9%	11.6%
General Electric Company (NYSE:GE)	GE	NYSE:GE	\$144,786	\$67,954	\$14,833	\$7,877	2.1x	9.8x	18.4x	21.8%	11.6%
Hertz Global Holdings, Inc. (NasdaqGS:HTZ)	HTZ	NasdaqGS:HTZ	\$20,687	\$9,222	\$2,315	\$1,368	2.2x	8.9x	15.1x	25.1%	14.8%
Honeywell International Inc. (NasdaqGS:HON)	HON	NasdaqGS:HON	\$152,169	\$36,408	\$12,367	\$8,713	4.2x	12.3x	17.5x	34.0%	23.9%
Howmet Aerospace Inc. (NYSE:HWM)	HWM	NYSE:HWM	\$25,824	\$6,422	\$1,774	\$1,398	4.0x	14.6x	18.5x	27.2%	21.8%
Illinois Tool Works Inc. (NYSE:ITW)	ITW	NYSE:ITW	\$85,891	\$16,095	\$6,782	\$4,469	5.3x	12.7x	19.2x	42.1%	27.8%
J.B. Hunt Transport Services, Inc. (NasdaqGS:JBHT)	JBHT	NasdaqGS:JBHT	\$22,360	\$13,176	\$2,430	\$1,787	1.7x	9.2x	12.5x	18.4%	13.6%
Jacobs Engineering Group Inc. (NYSE:J)	J	NYSE:J	\$19,726	\$16,352	\$3,500	\$1,473	1.2x	5.6x	13.4x	21.4%	9.0%
L3Harris Technologies, Inc. (NYSE:LHX)	LHX	NYSE:LHX	\$53,794	\$18,657	\$4,970	\$2,784	2.9x	10.8x	19.3x	26.6%	14.9%
Lockheed Martin Corporation (NYSE:LMT)	LMT	NYSE:LMT	\$126,286	\$67,571	\$8,571	\$10,225	1.9x	14.7x	12.4x	12.7%	15.1%
ManpowerGroup Inc. (NYSE:MAN)	MAN	NYSE:MAN	\$4,689	\$19,093	\$3,423	\$584	0.2x	1.4x	8.0x	17.9%	3.1%
Norfolk Southern Corporation (NYSE:NSC)	NSC	NYSE:NSC	\$68,973	\$12,320	\$5,623	\$4,737	5.6x	12.3x	14.6x	45.6%	38.4%
Northrop Grumman Corporation (NYSE:NOC)	NOC	NYSE:NOC	\$83,785	\$39,290	\$6,551	\$3,983	2.1x	12.8x	21.0x	16.7%	10.1%
PACCAR Inc (NasdaqGS:PCAR)	PCAR	NasdaqGS:PCAR	\$56,645	\$34,180	\$6,560	\$6,050	1.7x	8.6x	9.4x	19.2%	17.7%
Parker-Hannifin Corporation (NYSE:PH)	PH	NYSE:PH	\$70,932	\$19,680	\$6,886	\$4,679	3.6x	10.3x	15.2x	35.0%	23.8%
Quanta Services, Inc. (NYSE:PWR)	PWR	NYSE:PWR	\$35,303	\$19,515	\$2,812	\$1,628	1.8x	12.6x	21.7x	14.4%	8.3%
Raytheon Technologies Corporation (NYSE:RTX)	RTX	NYSE:RTX	\$153,691	\$67,086	\$11,647	\$9,050	2.3x	13.2x	17.0x	17.4%	13.5%
Republic Services, Inc. (NYSE:RSG)	RSG	NYSE:RSG	\$64,001	\$14,663	\$5,956	\$4,215	4.4x	10.7x	15.2x	40.6%	28.7%
Southwest Airlines Co. (NYSE:LUV)	LUV	NYSE:LUV	\$14,756	\$25,440	\$5,833	\$1,560	0.6x	2.5x	9.5x	22.9%	6.1%
Stanley Black & Decker, Inc. (NYSE:SWK)	SWK	NYSE:SWK	\$22,817	\$16,031	\$3,763	\$959	1.4x	6.1x	23.8x	23.5%	6.0%
Textron Inc. (NYSE:TXT)	TXT	NYSE:TXT	\$17,995	\$13,427	\$2,176	\$1,581	1.3x	8.3x	11.4x	16.2%	11.8%
The Boeing Company (NYSE:BA)	BA	NYSE:BA	\$196,605	\$77,794	\$9,251	\$3,154	2.5x	21.3x	62.3x	11.9%	4.1%
Uber Technologies, Inc. (NYSE:UBER)	UBER	NYSE:UBER	\$131,006	\$35,952	\$11,653	\$1,159	3.6x	11.2x	NM	32.4%	3.2%
Union Pacific Corporation (NYSE:UNP)	UNP	NYSE:UNP	\$183,446	\$24,140	\$12,665	\$11,278	7.6x	14.5x	16.3x	52.5%	46.7%
United Airlines Holdings, Inc. (NasdaqGS:UAL)	UAL	NasdaqGS:UAL	\$33,154	\$52,491	\$17,813	\$8,073	0.6x	1.9x	4.1x	33.9%	15.4%
United Parcel Service, Inc. (NYSE:UPS)	UPS	NYSE:UPS	\$152,122	\$93,074	\$21,679	\$13,345	1.6x	7.0x	11.4x	23.3%	14.3%
United Rentals, Inc. (NYSE:URI)	URI	NYSE:URI	\$51,501	\$14,332	\$5,921	\$4,394	3.6x	8.7x	11.7x	41.3%	30.7%
W.W. Grainger, Inc. (NYSE:GWV)	GWV	NYSE:GWV	\$43,573	\$16,283	\$6,439	\$2,781	2.7x	6.8x	15.7x	39.5%	17.1%
Waste Management, Inc. (NYSE:WM)	WM	NYSE:WM	\$87,433	\$20,144	\$7,591	\$5,691	4.3x	11.5x	15.4x	37.7%	28.3%
XPO Logistics, Inc. (NYSE:XPO)	XPO	NYSE:XPO	\$13,019	\$7,635	\$1,629	\$1,026	1.7x	8.0x	12.7x	21.3%	13.4%

Median	2.0x	9.1x	13.4x	25.4%	14.2%
Mean	2.5x	9.0x	14.3x	27.5%	17.8%

# Industrials

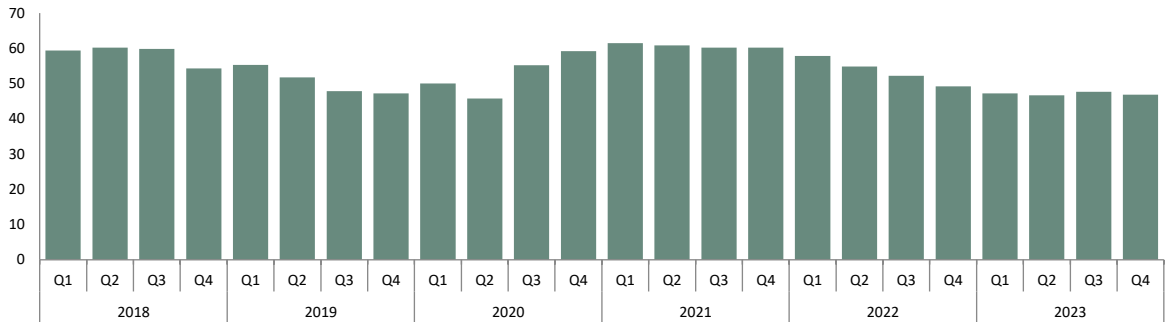
## State of the Industry

### U.S. Industrial Production Index (Seasonally Adjusted)



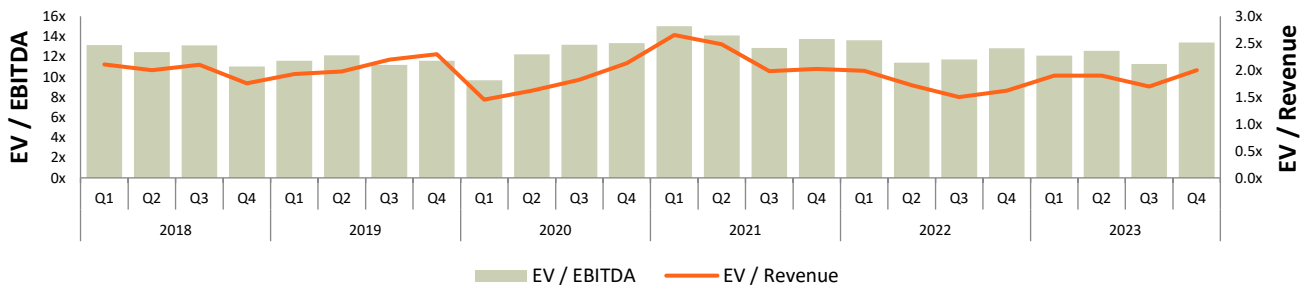
Source: Federal Reserve

### Purchasing Managers Index



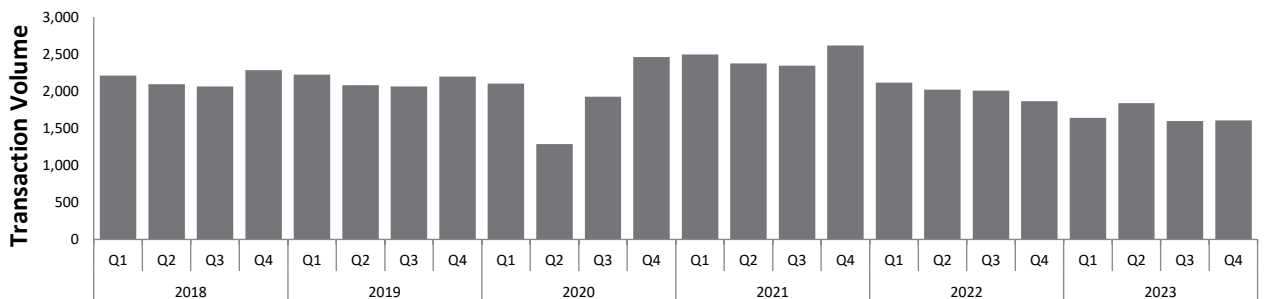
Source: Institution for Supply Management

### 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.

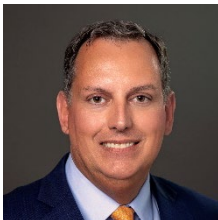
- We sweat the small stuff.
- Take a 3:00 am call.
- Say yes.
- Say no.
- Dig deeper when things get tough.
- And celebrate with you when your efforts pay off and you can reflect on it all and say, "It's really remarkable what we've accomplished here."
- Then and only then, will we know that we've accomplished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

### About Mirus

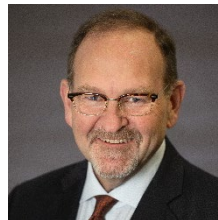
Mirus' Industrial team has experience working with owners of growth industrial businesses and distressed industrials, executing corporate carve-outs, strategic sales and leveraged buy-outs. Much of our work is with closely-held companies – niche leaders who have the industry leading solution in a sub \$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, Andrew, and Rudy 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. Rudy has over 20 years of experience in investment banking and corporate finance, advising on a broad range of M&A, IPOs, and financing transactions. Rudy earned his MIA from Columbia University and his BSEE from Worcester Polytechnic Institute.



**Alan Fullerton**  
[fullerton@merger.com](mailto:fullerton@merger.com)  
781-418-5954



**Andrew Crain**  
[crain@merger.com](mailto:crain@merger.com)  
781-418-5950



**Rudy Minar**  
[minar@merger.com](mailto:minar@merger.com)  
781-418-5965

*"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

**Andrew Slifka**

Century-Tywood has been acquired by J3 Corp/Slifka. Century-Tywood recently transitioned ownership, welcoming President/Principal Andrew Slifka to lead the team to new heights. Century-Tywood J3 Corp is a leading provider of fabricated sheet metal, precision fabricated components, stampings, and electro-mechanical assemblies.



has been acquired by

**FERGUSON**

Mirus Capital Advisors served as exclusive financial advisor to S.G. Torrice Co., Inc., a leading wholesale distributor of heating, ventilation and air conditioning (HVAC) products throughout New England, in its sale to Ferguson plc (NYSE: FERG; LSE: FERG). Founded in 1958 and headquartered in Wilmington, Massachusetts, S.G. Torrice operates 15 locations in Maine, Massachusetts, New Hampshire, Rhode Island and Vermont from which it distributes residential and commercial HVAC equipment, parts, and accessories from Trane, American Standard, Mitsubishi and other OEMs to over 2,000 HVAC contractors.



has been acquired by



Mirus Capital Advisors served as exclusive financial advisor to Sweeney Metal Fabricators in its sale to GTR Manufacturing. Sweeney Metal Fabricators is a sheet metal fabrication and machining company based in Nashua, New Hampshire. Collaboratively, Sweeney and GTR are actively broadening their machining capabilities to better serve their customers with a diverse array of top-tier manufacturing solutions. In addition to expanding their precision machine shop team, their facilities will soon house new state-of-the-art equipment, with further upgrades planned throughout every department.



has been acquired by



a portfolio company of



Mirus Capital Advisors served as exclusive financial advisor to Bergeron Machine in its sale to Compass Precision, a portfolio company of Main Street Capital Holdings. Located in Westford, MA, Bergeron Machine is the first Compass division to focus on high-precision Swiss-style machining. Compass purchased the company from Mark Kelly and Sidney Kuo, who bought the firm in 2008. Bergeron services customers in the semiconductor, aerospace, and defense end-markets.

"This acquisition continues our strategy of building a decentralized group of high-quality precision machine shops that service high-growth end markets across the United States."



Follow us on LinkedIn

To read more reports on the M&A markets, visit our website: [www.merger.com](http://www.merger.com)