



# MANUFACTURING REPORT

Explore M&A Activity, Capital Market  
Conditions and Current Trends for the  
Manufacturing Industry



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2H 2022

**SDR**Ventures

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# MANUFACTURING REPORT

## MANUFACTURING 2H22: WHAT TO KNOW

- ❑ Manufacturing may be in transition. Beset by labor and supply chain issues, finding a better way to build it here, at home, is the challenge.
- ❑ Those once sci-fi depictions of autonomous robot factory workers aren't so far-fetched anymore. The technology is here, and it works.
- ❑ We're watching how manufacturers take the next step by tying smart parts together through the Internet of Things, IoT, as data collection and management drive efficiency and profitability.

### Men (And Robots) At Work: Manufacturing Turns High Tech

Making the stuff that people want to buy and making the stuff companies need to make more stuff, has been through a wringer of late. The Manufacturing industry has struggled through supply chain woes, a rush to onshore manufacturing, and a labor shortage in 2H22. All of this is driving advancements in connected machinery, the Internet of Things (IoT), and automation. We believe the industry deserves a careful, but detailed, look as we continue to see deals being made, even as interest rates rise. White-collar jobs in the industry are changing (or disappearing), and blue-collar workers – especially highly trained – are hard to find.<sup>1,2</sup>

It's an interesting situation, and we're watching to see if technical solutions and automation can help manufacturing keep up even as the industry loses the skilled labor it needs. While the American education system continues to focus on traditional higher education – four-year degrees and beyond – the country's biggest unmet demand is for trained blue-collar workers in manufacturing. We're talking welders, machine tool operators, and med tech device makers. It's estimated that as the country recovered from the pandemic, nearly 1 million manufacturing jobs went unfilled. And it's been predicted that by sometime next year, there will be a shortage of 400,000 welders.<sup>3</sup>

If manufacturers can't tempt people to go to trade schools and get the needed training, it may be up to automation and robotics to fill the gap. Machines don't ask to work from home or get sick in a pandemic. More than 85% of manufacturers surveyed by Deloitte said "smart factories" are key. Connected machinery through IoT networks will help factories identify areas for improvement, streamline production, gather insightful data, manage inventory, improve safety, and aid in predictive maintenance to keep everything working and prevent disruptions.<sup>1,4</sup>

As older equipment wears out, newer manufacturing equipment is coming online, pre-equipped with high-tech sensors. Manufacturers rushing to onshore formerly overseas work are competing with each other to modernize, accelerating the rise of "smart factories." New technologies like digital twins, machine learning, A.I. (artificial intelligence), and augmented reality are helping production facilities adapt. If manufacturers can't figure out how to make things faster, better, and with fewer workers,

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## ABOUT SDR

Established in 2002, SDR Ventures has developed deep M&A and capital transaction knowledge and expertise. SDR offers transaction advisory, private capital formation and business consulting services across a wide range of industries. We serve business owners and operators of privately held companies and provide them with a professional-class experience.

## MANUFACTURING CONTACTS



**Andy Limes**  
Co-Founder  
Manufacturing Team  
720.221.9220  
[alimes@sdrventures.com](mailto:alimes@sdrventures.com)



**Scott Mitchell**  
Managing Director  
Manufacturing Team  
720.221.9220  
[smitchell@sdrventures.com](mailto:smitchell@sdrventures.com)



**Logan Bohlender**  
Vice President  
Manufacturing Team  
720.221.9220  
[lbohlander@sdrventures.com](mailto:lbohlander@sdrventures.com)



**Matthew Rusakevich**  
Analyst  
Manufacturing Team  
720.221.9220  
[mrusakevich@sdrventures.com](mailto:mrusakevich@sdrventures.com)

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they may not succeed. In the race to modernize, there may be opportunities for mergers and acquisitions in multiple fields, from tech to end product.<sup>5</sup>

## Expected Output vs. Reality: Automation Matters

Manufacturers say they're optimistic about future demand, building on a strong 2022 and eyeing the potential impact of the federal CHIPS Act and Inflation Reduction Act. Analysts are forecasting solid 2.5% global growth across the industry. But here's the thing, who builds the things? There's something unusual going on. The U.S. Fed is pumping up interest rates to cool inflation, at the likely cost of jobs. But workers are still frustratingly hard to find. So, who'll power the manufacturing industry? In especially tight supply are skilled workers.<sup>6,7</sup>

Manufacturing may need a longer runway to reach that anticipated growth. There are other challenges as well, the economic uncertainty of interest rates and inflation, chatter about a potential global recession, and the recently unmasked supply chain vulnerabilities that maybe we once didn't want to think about. Now we must.<sup>6</sup>

Bring on the tech. Manufacturers across the industry that already had a strong digital platform showed greater resilience over the past year and are better poised to accelerate and build on that momentum at every step, from design to manufacturing to warehousing. In 2022, most manufacturers said they're betting on robotics, smart data analytics, and IoT-connected factories, in that order. (Oddly, despite the headlines it gets, barely any real-world manufacturers say they're interested in blockchain applications.) Amazon, the company that seems to sell everything ever made anywhere, saw the need for labor alternatives early and continues to forge ahead. Already incorporating 500,000 robots throughout its operation, the company in 2H22 unveiled a new line of autonomous robots in testing that make their own decisions and navigate without human intervention as they roam warehouse aisles and collect products for shipping.<sup>6,8</sup>

To be fair, there are still human elements, and to retain that labor manufacturers may have to offer flexible work arrangements (all the rage these days), pay increases, and interestingly, upskilling – investing in educating the workforce already in place to do new tasks. The addition of tech to replace workers creates a new need for technically skilled workers to manage that automation. Three-quarters of manufacturers say retaining the workers they have will be their biggest challenge in 2023.<sup>6</sup>

But “smart” factories with digital management and operational components aren't just good for production (smart factories have been shown already to offer a 10%-12% boost in output, efficient capacity utilization, and worker productivity) but are also at managing supply chain issues. As increasing labor costs in China challenge the value of offshoring, manufacturing digitization may help offset the cost of bringing production back home, taking the bite out of the trading price for certainty. Imagine the potential impacts for on-site 3D printing autonomous guided vehicles to deliver parts on the production floor, A.I. product design, automated welding stations, and remote monitoring. As a bonus, the new digital manufacturing frontier has demonstrated benefits to environmental sustainability, never a bad thing.<sup>9</sup>

## IoT Talks To Everything. So Let's Talk IoT

As we dig deeper into automation, we're closely watching the Internet of Things. It seems to always enter the conversation, but how does it work? When we think of IoT, we're thinking about not just collecting data points, but using them. Manufacturing may have been one of the slower industries to embrace the cloud and digital data usage but learning how data from separate segments of the manufacturing process can work together is going to be important. We're interested in how tracking products from design to production to shipping, from raw materials to done and done, can be monitored and adjusted on the fly, seamlessly, and without costly disruptions.<sup>10</sup>

Today's high-tech machines don't work in a vacuum. We're not talking about a manually operated drill press on the factory floor anymore. This is about digitally operated robotic machines that need to “talk” to each other. IoT is the network that connects each step of the process. Properly managed data can help manufacturers learn where the inefficiencies lie, where the weak link in the chain is, and how to fix the issue. And while collecting data, IoT operations can employ sensors that increase workplace safety, spot maintenance issues before they become bigger problems, and



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oversee everything from intake to packing and shipping. Your refrigerator at home can tell you when you're running low on something. It makes sense that a manufacturing plant should know automatically when the widgets in the warehouse need restocking, without sending in a worker with a clipboard.<sup>10,11</sup>

IoT has taken massive leaps in recent years, not only monitoring and adjusting the process, but also taking on quality control, monitoring air quality and humidity levels that may lead to costly equipment degradation, and delivering real, measurable return on investment for manufacturers who take the time to engage. Ultimately, the implementation of IoT across the process may separate the winners from the losers in large-scale manufacturing.<sup>12</sup>

## Putting Things Together: Mergers & Acquisitions

- ❑ In October, Regal Rexnord manufacturing – headquartered in Beloit, Wisconsin, with facilities worldwide – acquired Massachusetts-based Altra Industrial Motion, which specializes in motion control, power transmission and automation products. The deal for publicly traded Altra was worth about \$62 a share, roughly \$5 billion, and a 54% premium over the share price before the announcement. Altra boasts about 9,000 employees at 47 production facilities in 19 countries.<sup>13</sup>
- ❑ At the start of the second half of the year, Ohio-based Nordson announced it was buying 3D-sensor company CyberOptics at a 31% premium, \$54 a share, for a value of about \$380 million. CyberOptics is based in Minnesota. The company designs, makes, and sells optical sensors that aid in electronics and semiconductor quality control throughout production.<sup>14</sup>
- ❑ Food safety is also served by the manufacturing industry, and in September the publicly traded Neogen Corporation merged with 3M's MMM Food Safety business through a tax-free "Reverse Morris Trust" arrangement. Neogen retains 49.1% of the newly merged companies while 3M will hold 50.1%. The merger was touted as broadening geographic reach and fueling innovation in the food and beverage safety sector that protects consumers from foodborne illnesses. Food safety testing is a sector expected to see continued growth. Neogen was busy in 2022, earlier acquiring Thailand's Thai-Neo Biotech and its food safety products. The company also earned Canada's approval to distribute a biosecurity system, Neogen Viroxide Super, that fights food-industry relevant bacteria and viruses, including Covid-19 and avian influenza.<sup>15</sup>
- ❑ In London, Spirax-Sarco Engineering, a thermal energy management company, acquired Durex International Corporation, a privately-owned U.S. specialist in custom electric thermal solutions for industrial equipment. The deal was valued at \$342 million. Durex, based in Illinois, was founded in 1980 and has about 380 employees. The company enjoys a high level of recurring, profitable business, much of that in semiconductor manufacturing. Spirax-Sarco reported the acquisition accelerates its business plans.<sup>16</sup>

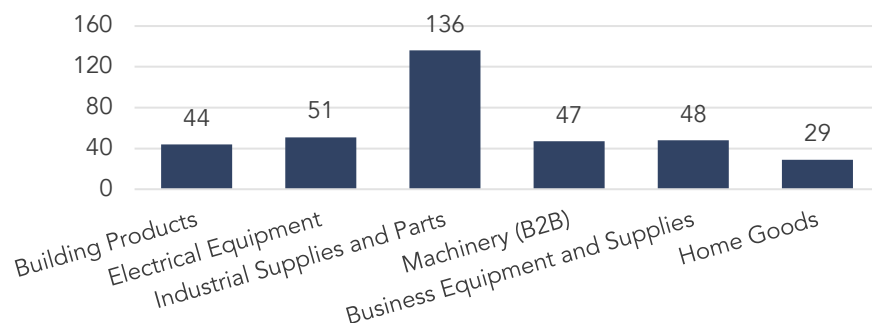
## Tech Talk (HAL 9000 Lives)<sup>17</sup>

For years, we've heard what was ailing manufacturing: lack of skilled labor, high costs, supply chain issues, and environmental concerns. But it has seemed like the solution was always "coming" or the talk of visionaries. We believe that has changed, and change is coming fast. For manufacturing, real, "thinking" technology is already in place. Machine learning, artificial intelligence, data collection, and robotics are starting to gel across the industry. In 2023 and beyond, we'll be watching not only how manufacturers adapt and adopt, but how tech firms will push for even more advancements. One day, our reports on the manufacturing, distribution and logistics, and technology industries may all be rolled into one, as advances across the sectors blur the lines between them.

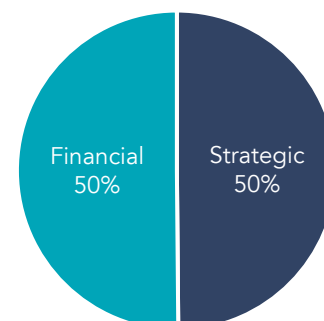


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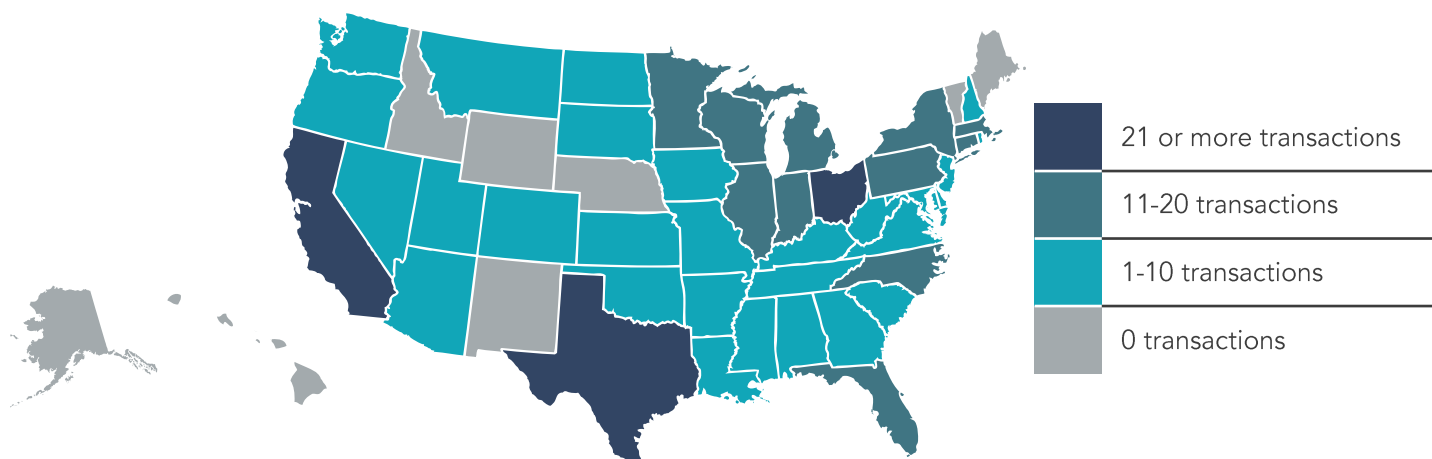
## TRANSACTIONS BY SEGMENT



## TRANSACTIONS BY TYPE



## TRANSACTIONS BY LOCATION



## TRANSACTION ACTIVITY

Date	Target	Buyer	Segment	Amount (\$ in Mil)	TEV/ Rev	TEV/ EBITDA
12/1/2022	Emtek Products	Fortune Brands Home & Security	Home Goods	800.00	-	-
11/3/2022	Cyberoptics	Nordson	Electrical Equipment	359.33	3.5x	17.7x
11/1/2022	DuPont (Mobility And Materials Business)	Celanese	Industrial Supplies and Parts	11,000.00	-	-
10/27/2022	Altra Industrial Motion	Regal Rexnord	Electrical Equipment	4,751.80	2.4x	23.7x
9/1/2022	3M (3M's Food Safety Business)	Neogen	Business Equipment and Sup	6,300.00	-	-
8/29/2022	Poly	Hewlett-Packard	Business Equipment and Sup	3,145.73	19x	27.4x
7/28/2022	Manitowoc Ice	Pentair	Machinery (B2B)	1,600.00	-	-
7/20/2022	Cornerstone Building Brands	Clayton, Dubilier & Rice	Building Products	10,316.09	16x	5.1x

**If You Are a Business Owner Looking for Additional Transaction Activity Within Your Industry, Please Call Our Offices at 720.221.9220.**

Source: Pitchbook Financial Data and Analytics

Note: This data represents recorded transactions only, and is not all-inclusive. Nevertheless, they are typically representative of the industry.



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## ACTIVE BUYERS

### MOST ACTIVE STRATEGIC BUYERS

FIRM	RECENT SUBSIDIARY ACQUISITIONS		
			
			
			

### SELECT SPONSORS WITH ACTIVE PORTFOLIO HOLDINGS

FIRM	RECENT SUBSIDIARY ACQUISITIONS		
			
			
			

Source: Pitchbook Financial Data and Analytics

Note: This data represents recorded transactions only, and is not all-inclusive. Nevertheless, they are typically representative of the industry.

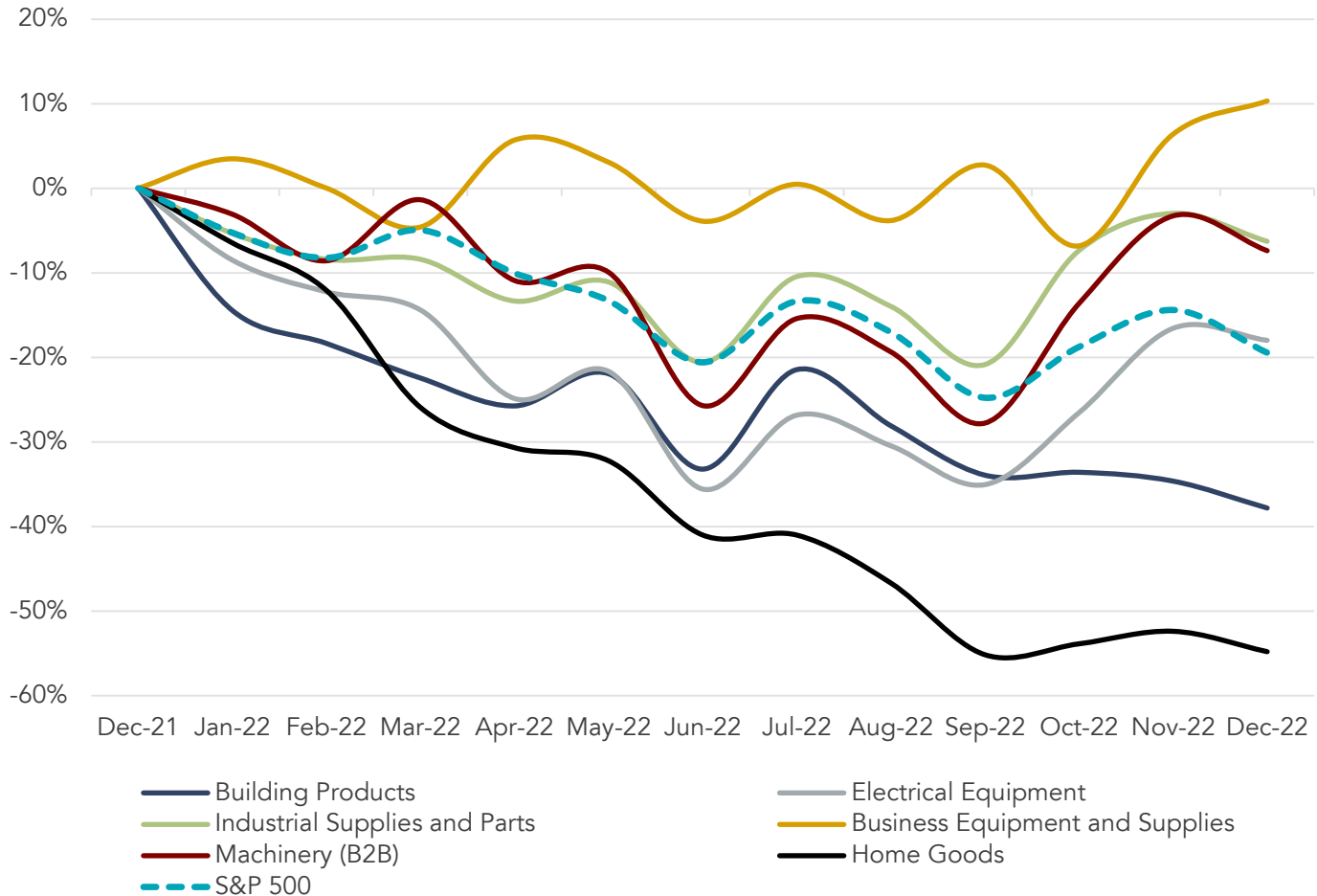


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## PUBLIC BASKET

### MANUFACTURING SEGMENTS VS. S&P 500

Segment Market Cap Performance – Running 12 Months



## BUILDING PRODUCTS

Company Name	Symbol	Market Stats					Operating Stats		LTM M Multiples			NTM M Multiples	
		Market Cap (\$ in Mil)	Price (\$)	LTM Change	YTD Change	% of 52 Week High	Est. Revenue Growth	EBITDA Margin	TEV/ Rev	TEV/ EBITDA	Price/ EPS	TEV/ NTM Revenue	TEV/ NTM EBITDA
Builders Firstsource	BLDR	\$ 9,549	\$ 64.88	(24.3%)	(24.3%)	75.0%	(312%)	19.0%	0.6x	3.0x	4.0x	0.8x	7.6x
Advanced Drainage Systems	WMS	6,792	81.97	(39.8%)	(39.8%)	53.4%	(5.2%)	25.4%	2.4x	9.5x	15.2x	2.5x	8.7x
Mohawk Industries	MHK	6,494	102.22	(43.9%)	(43.9%)	53.2%	(5.7%)	8.6%	0.8x	8.9x	NM	0.8x	6.4x
Australian Foundation Investment Co.	AFI	6,236	5.05	(17.7%)	(17.7%)	78.4%	NM	NM	NM	NM	23.7x	NM	NM
Armstrong World Industries	AWI	3,132	68.59	(40.9%)	(40.9%)	58.3%	5.9%	29.3%	3.1x	10.6x	16.7x	2.9x	9.0x
Gibraltar Industries	ROCK	1,421	45.88	(312%)	(312%)	66.8%	17%	10.5%	1.1x	10.4x	16.8x	1.1x	8.1x
Apogee Enterprises	APOG	988	44.46	(7.7%)	(7.7%)	88.1%	2.1%	9.3%	0.9x	9.2x	14.3x	0.8x	7.5x
Jeld-Wen	JELD	814	9.65	(63.4%)	(63.4%)	35.0%	(9.3%)	6.0%	0.5x	8.6x	16.1x	0.6x	8.0x
American Woodmark	AMWD	812	48.86	(25.1%)	(25.1%)	71.4%	(6.9%)	6.1%	0.7x	10.9x	NM	0.7x	6.5x
Insteel Industries	IIIN	536	27.52	(30.9%)	(30.9%)	57.7%	(10.1%)	213%	0.6x	2.8x	4.3x	0.7x	NM
<b>Segment Average</b>				<b>(32.5%)</b>	<b>(32.5%)</b>	<b>63.7%</b>	<b>(6.5%)</b>	<b>15.0%</b>	<b>1.2x</b>	<b>8.2x</b>	<b>13.9x</b>	<b>1.2x</b>	<b>7.7x</b>
<b>Segment Median</b>				<b>(31.0%)</b>	<b>(31.0%)</b>	<b>62.5%</b>	<b>(5.7%)</b>	<b>10.5%</b>	<b>0.8x</b>	<b>9.2x</b>	<b>15.6x</b>	<b>0.8x</b>	<b>7.8x</b>

Source: Pitchbook Financial Data and Analytics





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## PUBLIC BASKET (CONTINUED)

### ELECTRICAL EQUIPMENT

Company Name	Symbol	Market Stats					Operating Stats		LTM M multiples			NTM M multiples	
		Market Cap (\$ in Mil)	Price (\$)	LTM Change	YTD Change	% of 52 Week High	Est. Revenue Growth	EBITDA Margin	TEV/ Rev	TEV/ EBITDA	Price/ EPS	TEV/ NTM Revenue	TEV/ NTM EBITDA
Siemens	SIE	\$ 109,517	\$ 138.18	(20.3%)	(20.3%)	77.5%	8.5%	13.6%	2.0x	14.4x	27.6x	18x	NM
General Electric	GE	91,555	65.38	(11.3%)	(11.3%)	80.8%	(19.0%)	(15%)	14x	NM	NM	17x	118x
ABB Group	ABBN	56,723	30.39	(17.0%)	(17.0%)	81.1%	10%	20.9%	2.1x	10.2x	14.8x	2.1x	12.3x
Keysight Technologies	KEYS	30,587	171.07	(17.2%)	(17.2%)	82.4%	5.2%	29.0%	5.6x	19.5x	27.7x	5.4x	17.1x
Hubbell (Electrical Equipment)	HUBB	12,604	234.68	12.7%	12.7%	89.1%	7.9%	17.0%	3.1x	17.5x	26.2x	2.6x	15.2x
Mersen	MRN	829	40.24	(3.7%)	(3.7%)	92.7%	11.1%	15.7%	10x	6.2x	118x	0.9x	5.7x
Kimball Electronics	KE	558	22.59	3.8%	3.8%	89.0%	213%	5.8%	0.5x	9.1x	14.9x	0.4x	NM
Bel Fuse	BELFB	409	32.92	154.6%	154.6%	85.5%	3.7%	11.1%	0.7x	6.7x	9.1x	0.7x	6.8x
Intevac	IVAC	165	6.47	37.4%	37.4%	99.5%	(12%)	(44.4%)	2.7x	NM	NM	1.7x	NM
Segment Average				15.4%	15.4%	86.4%	4.3%	7.5%	2.1x	11.9x	18.9x	1.9x	11.5x
Segment Median				0.1%	0.1%	86.0%	4.7%	12.4%	2.0x	11.1x	16.9x	1.8x	11.8x

### INDUSTRIAL SUPPLIES AND PARTS

Company Name	Symbol	Market Stats					Operating Stats		LTM M multiples			NTM M multiples	
		Market Cap (\$ in Mil)	Price (\$)	LTM Change	YTD Change	% of 52 Week High	Est. Revenue Growth	EBITDA Margin	TEV/ Rev	TEV/ EBITDA	Price/ EPS	TEV/ NTM Revenue	TEV/ NTM EBITDA
Illinois Tool Works	ITW	\$ 67,673	\$ 220.30	(10.7%)	(10.7%)	88.2%	10%	26.3%	4.8x	18.1x	25.1x	4.7x	17.5x
Genuine Parts	GPC	24,493	173.51	23.8%	23.8%	92.4%	5.0%	9.3%	13x	14.1x	20.9x	12x	13.6x
Dover	DOV	19,005	135.41	(25.4%)	(25.4%)	73.6%	3.3%	21.9%	2.7x	12.2x	16.8x	2.6x	12.4x
Steel Dynamics	STLD	17,153	97.70	57.4%	57.4%	86.4%	(24.1%)	26.9%	0.8x	3.0x	4.3x	1.1x	6.2x
AptarGroup	ATR	7,180	109.98	(10.2%)	(10.2%)	88.6%	14%	18.3%	2.5x	13.6x	30.9x	2.5x	13.0x
Crane Company	CR	5,640	100.45	(13%)	(13%)	87.4%	7.0%	21.7%	19x	9.2x	15.5x	19x	NM
Hexcel	HXL	4,953	58.85	13.6%	13.6%	89.4%	16.3%	19.7%	3.8x	19.1x	NM	3.2x	15.0x
Altra Industrial Motion	AIMC	3,894	59.75	15.9%	15.9%	98.9%	(0.8%)	10.3%	2.5x	23.9x	NM	2.5x	12.7x
Allegheny Technologies	ATI	3,864	29.86	87.4%	87.4%	89.6%	16.2%	7.9%	15x	19.1x	NM	1.3x	8.8x
Worthington Industries	WOR	2,471	49.71	(9.1%)	(9.1%)	79.1%	(24.2%)	10.0%	0.6x	7.4x	11.4x	0.8x	7.0x
Rogers	ROG	2,245	119.34	(56.3%)	(56.3%)	43.5%	8.4%	12.9%	2.4x	18.2x	312x	2.2x	8.1x
Barnes Group	B	2,066	40.85	(12.3%)	(12.3%)	83.7%	4.9%	12.3%	2.0x	16.5x	NM	19x	9.8x
Materion	MTRN	1,796	87.51	(4.8%)	(4.8%)	89.4%	3.2%	8.8%	14x	15.4x	23.7x	1.3x	11.0x
Helios Technologies	HLIO	1,772	54.44	(48.2%)	(48.2%)	51.4%	(4.4%)	21.8%	2.4x	11.1x	17.1x	2.5x	11.4x
Segment Average				1.4%	1.4%	81.5%	0.9%	16.3%	2.2x	14.3x	19.7x	2.1x	11.3x
Segment Median				(6.9%)	(6.9%)	87.8%	3.2%	15.6%	2.2x	14.8x	19.0x	2.1x	11.4x

### MACHINERY (B2B)

Company Name	Symbol	Market Stats					Operating Stats		LTM M multiples			NTM M multiples	
		Market Cap (\$ in Mil)	Price (\$)	LTM Change	YTD Change	% of 52 Week High	Est. Revenue Growth	EBITDA Margin	TEV/ Rev	TEV/ EBITDA	Price/ EPS	TEV/ NTM Revenue	TEV/ NTM EBITDA
Deere	DE	\$ 127,872	\$ 428.76	25.0%	25.0%	95.6%	3.6%	21.3%	3.4x	15.8x	18.4x	3.3x	14.5x
Caterpillar	CAT	124,669	240	15.9%	15.9%	97.8%	9.5%	21.0%	2.7x	13.0x	17.4x	2.5x	13.1x
Applied Materials	AMAT	82,202	97.38	(38.1%)	(38.1%)	58.3%	(6.4%)	31.9%	3.3x	10.4x	13.1x	3.5x	11.8x
Illinois Tool Works	ITW	67,673	220.30	(10.7%)	(10.7%)	88.2%	10%	26.3%	4.8x	18.1x	25.1x	4.7x	17.5x
Segment Average				(2.0%)	(2.0%)	85.0%	1.9%	25.1%	3.5x	14.3x	18.5x	3.5x	14.2x
Segment Median				2.6%	2.6%	91.9%	2.3%	23.8%	3.3x	14.4x	17.9x	3.4x	13.8x

Source: Pitchbook Financial Data and Analytics





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## PUBLIC BASKET (CONTINUED)

### BUSINESS EQUIPMENT AND SUPPLIES

Company Name	Symbol	Market Stats					Operating Stats		LTM M Multiples			NTM M Multiples	
		Market Cap (\$ in Mil)	Price (\$)	LTM Change	YTD Change	% of 52 Week High	Est. Revenue Growth	EBITDA Margin	TEV/ Rev	TEV/ EBITDA	Price/ EPS	TEV/ NTM Revenue	TEV/ NTM EBITDA
BIC	BB	\$ 2,981	\$ 68.16	27.2%	27.2%	97.6%	10.3%	20.8%	12x	5.9x	12.2x	11x	5.4x
ACCO Brands	ACCO	527	5.59	(32.3%)	(32.3%)	62.1%	(5.5%)	8.0%	0.8x	10.1x	25.4x	0.8x	6.5x
Segment Average				(2.5%)	(2.5%)	79.9%	2.4%	14.4%	1.0x	8.0x	18.8x	1.0x	6.0x
Segment Median				(2.5%)	(2.5%)	79.9%	2.4%	14.4%	1.0x	8.0x	18.8x	1.0x	6.0x

### HOME GOODS

Company Name	Symbol	Market Stats					Operating Stats		LTM M Multiples			NTM M Multiples	
		Market Cap (\$ in Mil)	Price (\$)	LTM Change	YTD Change	% of 52 Week High	Est. Revenue Growth	EBITDA Margin	TEV/ Rev	TEV/ EBITDA	Price/ EPS	TEV/ NTM Revenue	TEV/ NTM EBITDA
Stanley Black & Decker	SWK	\$ 11,113	\$ 75.12	(60.2%)	(60.2%)	38.2%	(7.2%)	7.0%	12x	17.3x	215x	12x	115x
Whirlpool	WHR	7,707	14.146	(39.7%)	(39.7%)	57.6%	(7.3%)	6.5%	0.6x	8.8x	22.1x	0.6x	6.2x
Newell Brands	NWL	5,410	13.08	(40.1%)	(40.1%)	49.5%	(9.4%)	115%	11x	9.8x	9.7x	12x	9.6x
La-Z-Boy	LZB	984	22.82	(37.2%)	(37.2%)	59.8%	(12.6%)	14.1%	0.5x	3.5x	5.8x	0.6x	6.4x
Purple Innovation	PRPL	438	4.79	(63.9%)	(63.9%)	34.6%	(0.9%)	(5.2%)	0.9x	NM	NM	0.9x	NM
Weber-Stephen Products	WEBR	433	8.05	(37.7%)	(37.7%)	60.6%	(15.9%)	(9.8%)	1.0x	NM	NM	1.2x	11.7x
LoveSac	LOVE	334	22.01	(66.8%)	(66.8%)	316%	8.6%	5.8%	0.8x	13.6x	10.6x	0.7x	8.1x
Segment Average				(49.4%)	(49.4%)	47.4%	(6.4%)	4.3%	0.9x	10.6x	14.0x	0.9x	8.9x
Segment Median				(40.1%)	(40.1%)	49.5%	(7.3%)	6.5%	0.9x	9.8x	10.6x	0.9x	8.9x

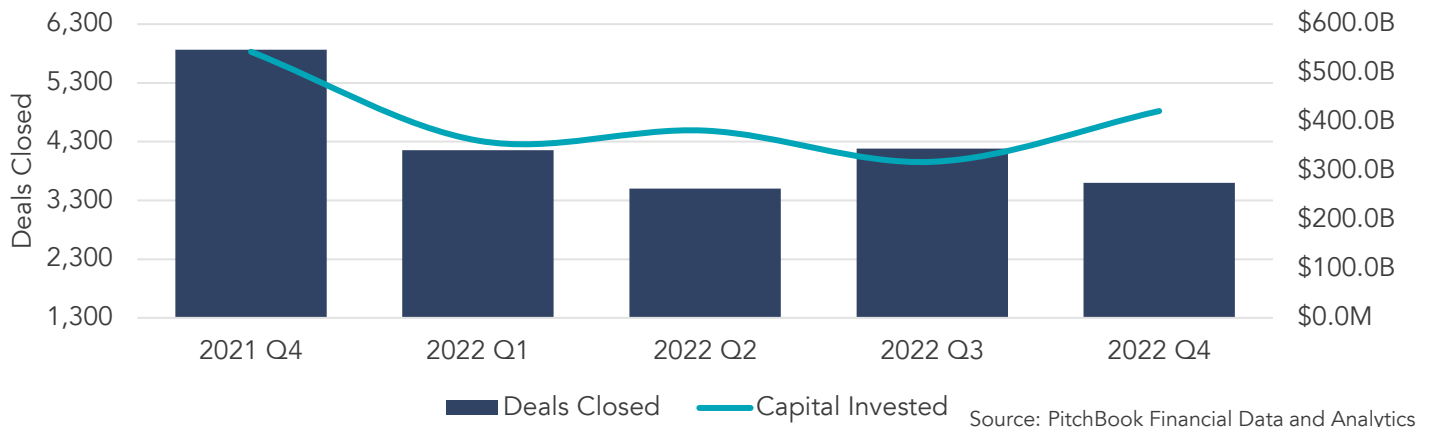
Source: Pitchbook Financial Data and Analytics



# MANUFACTURING REPORT

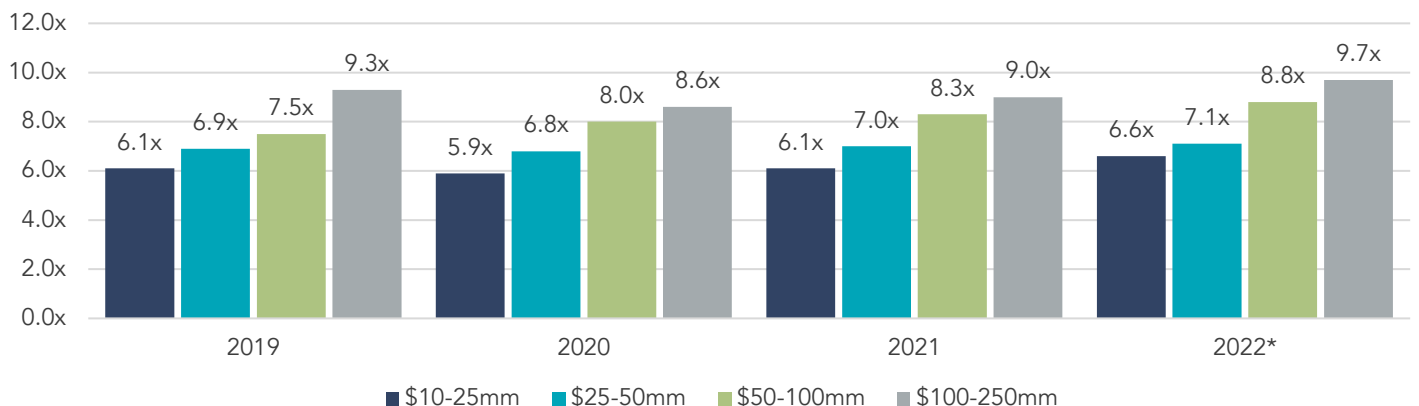
## U.S. M&A ACTIVITY SNAPSHOT

### OVERALL U.S. M&A ACTIVITY

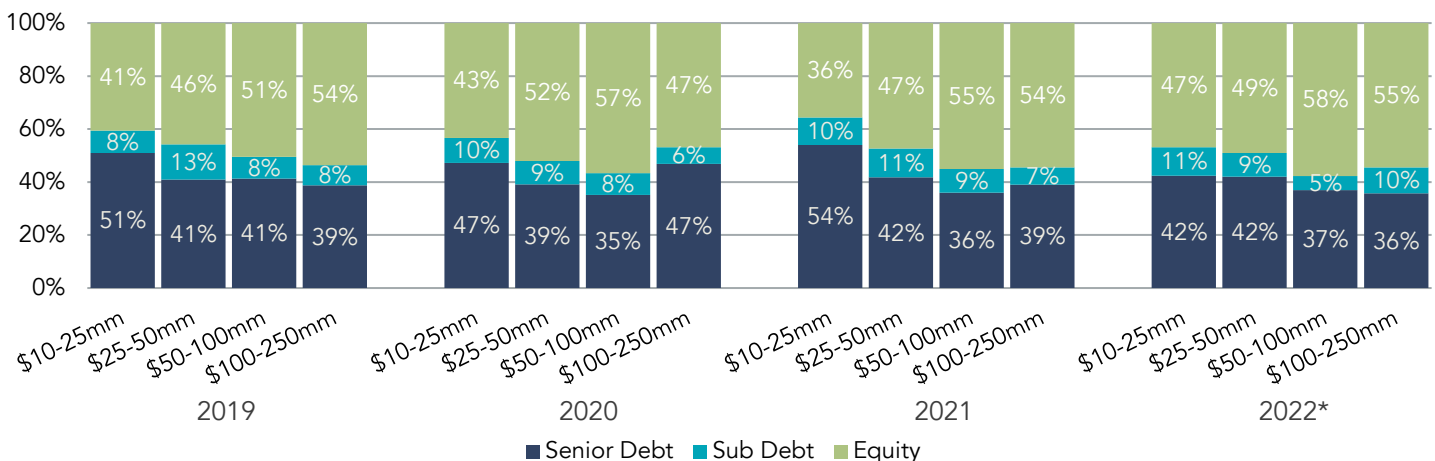


### LOWER MIDDLE MARKET PRIVATE EQUITY TRANSACTION MULTIPLES

EBITDA Multiples By Transaction Size



### CAPITAL BREAKDOWN – LOWER MIDDLE MARKET PRIVATE EQUITY TRANSACTIONS



Note: The most current source of GF Data is as of November 2022.

Source: GF Data®



# MANUFACTURING REPORT

## COMPREHENSIVE MANUFACTURING EXPERTISE

From injection molding to microchips, we have been providing M&A services to the Manufacturing Industry since our inception in 2002. Since then, we have helped complete multiple transactions ranging from industrial mergers and acquisitions to private capital sourcing for growing industrial businesses. We serve all types of companies across the Manufacturing Industry, but have particular expertise in:

- ❑ Building Products
- ❑ Electrical Equipment
- ❑ Industrial Supplies and Parts
- ❑ Machinery (B2B)
- ❑ Business Equipment and Supplies
- ❑ Home Goods

## CONTACT US



**Andy Limes**  
Co-Founder  
Manufacturing Team  
720.221.9220  
[alimes@sdrventures.com](mailto:alimes@sdrventures.com)



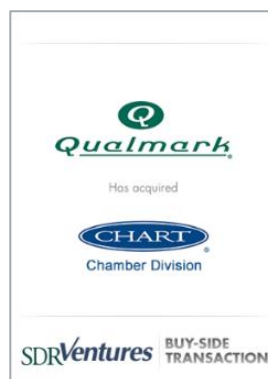
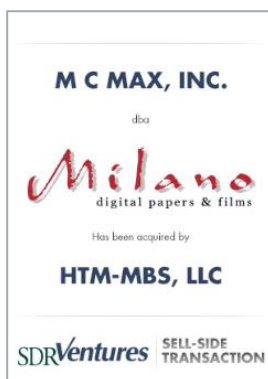
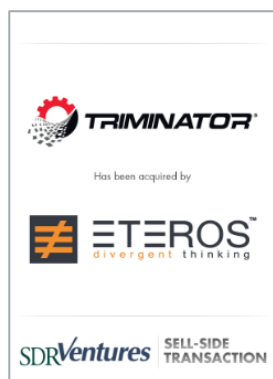
**Scott Mitchell**  
Managing Director  
Manufacturing Team  
720.221.9220  
[smitchell@sdrventures.com](mailto:smitchell@sdrventures.com)



**Logan Bohlender**  
Vice President  
Manufacturing Team  
720.221.9220  
[lbohlender@sdrventures.com](mailto:lbohlender@sdrventures.com)

## SELECT TRANSACTION EXPERIENCE

SDR has completed numerous transactions types throughout the Manufacturing Industry, including:



## SDR SERVICE OFFERINGS



**SELL-SIDE ADVISORY**



**PRIVATE CAPITAL FORMATION**



**BUY-SIDE ADVISORY**



**STRATEGIC CONSULTING**



# MANUFACTURING REPORT

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