

# THE BIGELOW COMPANY LLC

## EXTRUSION TECHNOLOGY, INC.

### Extrusion Technology, Inc. recapitalized with an investment by RFE Investment Partners

With locations outside Boston, MA and in Xiamen, China, Extrusion Technology (“XTech”) is the world’s leading supplier of extruded aluminum faceplate assemblies for printed circuit boards used in high-end telecommunication, networking, and data communication equipment.

XTech designs and sells products to many of the largest OEM’s serving the telecommunication and networking industries. While OEM’s represent the “end user” customer, XTech direct sales are often to contract manufacturers utilized by OEM’s. Their demands for delivery, quality, consistency, service, and stocking resulted in strong supply chain program management and dedicated customer service resources.

### Bigelow Assignment:

Provide freedom to husband and wife entrepreneurial team who built the business and wish to move on to the “next personal chapter” in their lives.

### Unique Challenges:

*Ownership Transition* — Current sole shareholder, who purchased the business 20 years prior and has increased sales 10x, is seeking to retire from all day-to-day responsibilities. This ownership transition issue is compounded by his wife’s active role in the business.

*Challenging Telecommunications Market* — Headwinds in the telecommunications equipment market outlook was compounded by

customer concentration. As is the case with many high-end component suppliers, XTech’s sales were concentrated with a single OEM representing over 30% of sales.

### Response:

- Bigelow sought out only those investors that understood that the uncertain near-term telecommunications outlook was a short-term phenomenon masking excellent long-term growth prospects.
- Bigelow showcased the existing CEO and his team as having the vision and ability to execute a more aggressive growth plan than the exiting husband and wife owners.
- Bigelow highlighted the Company’s manufacturing plant in China as a significant competitive advantage and growth area.

### Outcome:

XTech was recapitalized with an investment by RFE Investment Partners providing full liquidity to the retiring owners and a new value-added partner for the business.

RFE is a “believer” in the long-term telecommunications demand as more applications move on-line. They were highly attracted to the excellent Management Team and overall investment thesis. RFE recognized the tremendous value XTech provides through the complete turnkey supply chain management of numerous component assemblies across a broad number of product platforms for the major telecommunication OEM’s.



### Client Testimonial:

*“Our rapidly growing operations in both Massachusetts and Xiamen, China, encouraged us to seek a sophisticated financial partner that would support our niche strategy of providing the highest quality aluminum faceplates to a global customer base. RFE’s great experience and proven success working with entrepreneurial businesses will provide XTech with the capital and guidance needed to achieve our aggressive growth plan.”*

**Reinhold Hesse**  
**President and CEO**  
**Extrusion Technology, Inc.**