

WIN WITH EDGEWATER CAPITAL

# ENGINEERED COMPONENTS AND SYSTEMS PRACTICE

Targeting owner-operators or corporate carve-outs of industrial products and services businesses that have a high cost of failure in an end product or system. Our concentration is on companies providing mission-critical components or services essential to the maximum efficiency and performance of rotating equipment.

## MARCUS PILLION



Head of Edgewater's  
Engineered Components and Systems Practice

Marcus has over 25 years of industrial market experience – specifically focused in industrial equipment, reliability products and systems, in-plant services, and a variety of mission-critical component businesses. He has led all facets of businesses from CEO to sales, marketing, engineering, supply chain, installation and service for companies such as Netzsch, ITT, ABS Pumps (now Sulzer), John Crane, SKF, EagleBurgmann (part of Freudenberg), and Colfax Fluid Handling Reliability Services (now Reladyne).

Prior to joining Edgewater, Marcus served as Chief Executive Officer for TRITEC Performance Solutions, a global manufacturer of engineered polytetrafluoroethylene (PTFE) sealing solutions and assemblies for a large number of applications. Through Marcus's leadership, TRITEC grew significantly by both organic and inorganic efforts and was recently divested to Trelleborg Sealing Solutions, a business unit of Trelleborg Group.

## TARGET INVESTMENT SEGMENTS WITHIN ENGINEERED COMPONENTS AND SYSTEMS



### INDUSTRIAL EQUIPMENT

- Pumps
- Tanks/Controls
- Skids
- Valves
- Metering
- Lubrication Systems
- Heat Exchangers

### RELIABILITY EQUIPMENT, SYSTEMS AND SERVICES

- Flusing And Cleaning
- Breathers
- Meters
- In-Plant Services
- Single Point Lubricators
- Seals
- Filters

### ENGINEERED COMPONENTS

- Diaphragms
- Specialty Fittings
- Precision Metal
- Bearings
- Precision Plastics
- Expansion Joints

## THE EDGEWATER ADVANTAGE

We believe our expertise enables us to quickly and comprehensively understand a company's value proposition, customer relationships, and perceived or misunderstood risks.

### TRANSACTION VALUE

- Quick execution and management of complex deals
- 185MM in capital available for funding
- Strong banking partners and proven performance in multiple sectors
- Demonstrated track record with owner-operators and corporate carve-outs
- Experienced operating partners to further fuel growth

### POST-TRANSACTION VALUE

- Capital to support growth, expand capabilities, and new market integration
- Capacity to expand product breadth, geographic coverage, and develop or enhance competitive advantage
- Proven data-driven expertise to empower management teams and build capabilities with add-on acquisitions
- Ability to leverage material science capabilities across all portfolio platforms
- Best-in-class compensation incentives and benefits



## TYPICAL FINANCIAL PROFILE

**Typical EBITDA:**  
**<\$25 Million**

**Add-Ons: Any Size with  
Positive Cash Flow**

**Equity Investment:**  
**Up to \$50 Million**

**Typical Revenue:**  
**<\$100 Million**

## ABOUT EDGEWATER CAPITAL PARTNERS

Edgewater Capital, based in Cleveland, Ohio, is a sector-focused private equity firm making investments in lower middle-market performance materials businesses, specifically engineered components and systems, specialty chemicals, and life sciences verticals. More than twenty years of industry-specific investing has allowed the firm to develop a deep understanding of the complexities and nuances common to these businesses.

Our midwestern values – honesty, integrity and transparency – bring an attitude of humility that builds an environment of trust and collaboration. Nearly half of our transactions are owner-operators who have built their companies from the ground up, and cultural fit with the investment firm is fundamental.

At Edgewater, the investment is just the starting point. The goal of every investment we make is to unlock the potential of each company so it can flourish. We believe in supporting management teams and allowing them to focus on the business. For us, that means enabling management teams by investing in people, infrastructure, and technology.

## CASE STUDY: TRITEC PERFORMANCE SOLUTIONS

TRITEC, headquartered in Fenton, Michigan, was founded in 1987 by Steve and Brad Sekulich and two silent partners. Steve was a pioneer in the PTFE sealing industry and implemented his discoveries into many applications to establish TRITEC as a leading manufacturer of high-performance PTFE rotary shaft lip seals used in a variety of end-markets including mining, industrial, motorsports, agricultural, oil and gas, and chemical industries. In 1997, Brad Sekulich completed a buyout of the other three partners and remained the sole shareholder until TRITEC's sale to Edgewater Capital Partners in 2013.

TRITEC's deep expertise in developing custom-blended PTFE compounds, proprietary molding and sintering process, customer specific sealing solutions and opportunities for operational and strategic enhancements to spur growth made them an ideal candidate for acquisition once Brad looked to make an owner-operator exit from the company.



### ECP Enhancements

With the transition of Brad to board role at Edgewater's investment, an interim CEO was placed. In 2015, Edgewater hired Marcus Pillion as CEO to lead the company with a new, direct commercial sales strategy and tactical marketing development based on his extensive experience. In addition, Marcus was key in identifying, executing and integrating strategic acquisitions to fuel growth. A Chief Financial Officer was also added to further support strategic initiatives and streamline processes.

To address EHS deficiencies, a dedicated QA department was developed with a Plant Manager hire from within TRITEC to assist in driving safety protocols and daily plant requirements. Engineering expertise and capabilities were expanded and a technical council was initiated and available for consult when needed.

### Follow-On Acquisitions

To establish a footprint for Oil & Gas penetration, Leeco Industrial Plastics in Giddings, Texas was acquired. TRITEC Polymers in Michigan was added to consolidate polymer production and expand material science and testing capabilities. Race-Tec in the UK rounded out the acquisitions to establish a European footprint while allowing TRITEC to leverage PTFE bonding technology and metal parts capabilities.

### Sold to:

Trelleborg Sealing Solutions, a business unit of Trelleborg Group, 2019