



Bacharach, Inc.



Company Profile

HEADQUARTERS:

New Kensington, PA

INDUSTRY:

Specialized Light Manufacturing

TRANSACTION TYPE:

Buyout

INVESTMENT DATE:

September 2007

EXIT DATE:

Active

FUND:

II

This portfolio company case study offers summary information, is provided as an example that clarifies and typifies Incline's investment approach, and may not be representative of Incline's investments. Past results are no guarantee of future results and no representation is made that an investor or portfolio company will or is likely to achieve results that are similar to those of the company described. This investment was not chosen for its returns on investment.

Overview

Founded locally in 1909, Bacharach, Inc. is now a long-standing world leader in the design, manufacture, and service of advanced test and measurement instrumentation primarily for the HVAC/R industry. The company's extensive product line includes instruments that detect, measure, and record combustion, refrigerants, and environmental gases.

Transaction Dynamics

A partnership with management to acquire the company from a family owner. Incline recruited an experienced CEO and management team to run the business.

Investment Thesis

- ▶ Strong brand name and only market participant with product line breadth
- ▶ Impact of pollution and greenhouse gases expected to drive further environmental regulation and monitoring
- ▶ Opportunity to improve under-managed business
- ▶ Attractive exit opportunities with both financial and strategic buyers

Incline Value Enhancement

- ▶ Completed add-on acquisition of Murco Ltd. in Ireland in June 2011; currently evaluating several other opportunities
- ▶ Upgraded management resources and installed board members to provide strategic guidance
- ▶ Invested significant capital to reinvigorate product line and strengthen sales, marketing, and operations functions
- ▶ Currently broadening product offering through select internal product development efforts as well as through private label and other re-distribution efforts

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