



# F.B. Leopold Company



## Company Profile

**HEADQUARTERS:**

Zelienople, PA

**INDUSTRY:**Specialized Light  
Manufacturing**TRANSACTION TYPE:**

Corporate Divestiture

**INVESTMENT DATE:**

March 2004

**EXIT DATE:**

June 2006

**FUND:**

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*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

F.B. Leopold Company designs, develops, and supplies a variety of products and services for the filtration segment of water and wastewater treatment plants. The Company provides all components necessary for a complete operating filter system, including the design and manufacture of air header pipe systems for backwash filters, backwash water troughs, anthracite filter media, and automatic filter control systems.

## Transaction Dynamics

A partnership with management to acquire a corporate divestiture from Thames Water. A shift in Thames' strategy led to the divestiture.

## Investment Thesis

- ▶ 50% market share within filtration segment
- ▶ Robust backlog with high visibility of future earnings
- ▶ Leading proprietary technology with large installed base
- ▶ Beneficiary of increased government regulations, including the Clean Water Act
- ▶ Well recognized brand and strong management

## Incline Value Enhancement

- ▶ Developed international sales network to take advantage of growing water infrastructure development in emerging economies
- ▶ Introduced several new products targeted at the municipal wastewater treatment industry
- ▶ Oversaw entry into project management services for municipal drinking water treatment plants
- ▶ Positioned company for strategic sale