

## Contact ECI

For more information about ECI's investments in this sector, or to discuss specific investment opportunities please contact:

### Team

Chris Warren  
Ken Lindsay  
Tim Raffle

### ECI Partners LLP

Brettenham House  
Lancaster Place  
London  
WC2E 7EN  
Tel 020 7606 1000  
Fax 020 7240 5050

40 Peter Street  
Manchester  
M2 5GP  
Tel 0161 819 3160  
Fax 0161 819 3161

[www.ecipartners.com](http://www.ecipartners.com)



**Racal Acoustics**  
Ruggedised communications equipment  
Buyout 2005 / **SOLD** 2009 to trade  
[www.racalacoustics.co.uk](http://www.racalacoustics.co.uk)



Racal Acoustics is the global market leader in the manufacture and supply of 'ruggedised' personal communications equipment for the defence and avionics sectors. Its products protect hearing and enhance communication in very high ambient noise environments, such as armoured fighting vehicles, planes and helicopters as well as for foot soldiers. Its products are recognised as the clear technology leaders in the military markets it serves and are used by 110 military branches in 80 countries.

ECI backed the £52 million MBO of Harrow-based Racal Acoustics in 2005 from J.F. Lehman, a US-based private equity investor. Racal Acoustics was previously part of the Thales group. Following the buyout, Racal Acoustics continued its strategy of technological innovation, market leadership, international expansion and constant product development. The markets served by the company are growing rapidly, and the business experienced strong revenue growth as existing military programmes around the world continued to progress and as new programmes came on stream. Following several years of strong growth, the business was sold to Esterline Technologies Corporation in January 2009 for £115m.

**Nuaire Limited**  
Ventilation equipment  
Buyout 2004 / **SOLD** 2007 in secondary buyout  
[www.nuaire.co.uk](http://www.nuaire.co.uk)



Nuaire is one of the UK's leading manufacturers of domestic, commercial and industrial ventilation equipment. It is a strong, well-established brand with a reputation for quality, innovation and high levels of service and a consistent track record of steady revenue and earnings growth. Among its innovative products are a range of environmentally friendly fans, which contain sophisticated controls to limit energy usage, and a product that combines solar, water and air heating with whole home ventilation.

Nuaire has benefited from market growth, driven both by legislation promoting energy efficient buildings, and increasing awareness of the importance of air quality in the home and workplace and positive trends in government spending on social housing. In addition, it has a sophisticated, multi-channel sales structure and is the only major ventilation equipment manufacturer offering a direct channel to market. ECI backed a £38 million management buyout in 2004 and introduced Alan Wright as CEO in 2005 as part of a planned management succession. Profits doubled during ECI's investment and the business was sold to Electra Partners in 2007.



Building successful businesses in  
**Manufacturing**

## ECI and Manufacturing

ECI has been working with companies in the manufacturing sector since we launched over 30 years ago. We started by funding the early acquisitions of Williams Holdings which went on to become a major industrial conglomerate. Since then we have invested in a wide range of companies manufacturing everything from waste bins and truck seats to military headsets and telecommunications equipment.

We continue to see attractive buyout opportunities in the manufacturing space, whether from private vendors or from corporate restructurings by larger businesses. ECI has the manufacturing expertise and deep industry understanding necessary to develop businesses to their full potential.



## What are the business characteristics ECI looks for?

As one of the few mid-market investors in the UK with a proven track record in this sector, ECI believes that profitable and growing niche manufacturers continue to offer excellent investment opportunities.

We focus on investing in high quality businesses operating in fragmented markets with high barriers to entry and attractive growth characteristics. Typically these businesses have strong local or global client relationships, and deliver high levels of added-value service to their customers.

A selection of our recent investments are highlighted in this brochure.

### Working with ECI

ECI seeks to work with companies requiring finance of between £10 million and £150 million. With a 30-year track record of successful investing, we have provided finance to over 250 companies. We have the resources and expertise to tackle even the most complex transactions. Our investments include buyouts, buy-ins, acquisition and expansion financings.

### Axell Wireless

Solutions for the mobile telecommunications industry  
Buyin 2007 / Turnover £35 million  
[www.axellwireless.com](http://www.axellwireless.com)



The growth of mobile communications means that the provision of network coverage within confined spaces such as airports, factories, stadiums, office buildings and tunnels is not only expected, but in some instances is essential to cover the needs of the general public and the emergency services. Axell Wireless is a market leader in the design and manufacture of cost effective solutions worldwide to extend single or multiple band networks throughout buildings, tunnels and other areas with limited coverage.

Coverage projects undertaken by Axell Wireless include Heathrow Terminal 5, Old Trafford football stadium, London Underground and the Paris, Hong Kong and Singapore metro systems. ECI backed a £56 million management buyin to the business in January 2007. Axell Wireless subsequently acquired Stockholm based Avitec, its major European competitor, in July 2007 for £16 million. A second bolt-on acquisition of a smaller competitor, Dekolink, was completed in January 2009.

### Kelvin Hughes

Navigation products and services  
Buyout 2007 / Turnover £60 million  
[www.kelvinhughes.com](http://www.kelvinhughes.com)



Kelvin Hughes is a leading supplier of navigation products and services to the naval and commercial marine sectors worldwide. It designs and manufactures a range of innovative navigation equipment, including the world's first solid state commercial marine radar. In parallel it distributes Admiralty charts in physical and digital forms to the world's shipping, and operates the world's only satellite map update service.

ECI backed the £52m MBO of Kelvin Hughes out of Smiths Group plc. Following the buyout, the business has continued its strategy of technical innovation in both its existing and new markets.

### Taylor Continental Holdings Ltd

Waste and recycling containers  
Buyout 2005 / Turnover £26 million  
[www.taylor-ch.co.uk](http://www.taylor-ch.co.uk)



Taylor is the market leader in the manufacture and supply of trade waste containers in the UK. It produces steel waste and recycling containers for the household and commercial markets and has a strong reputation for product innovation. Its market leading product is the steel 'Continental' trade container which has around 50% of the overall trade container market. Taylor also supplies recycling and street scene products for public spaces and building sites.

The rapid growth in the waste container market is being driven by increasing government regulation in the areas of recycling and the separation of specific waste products which imposes greater demands on Taylor's customers such as local authorities and national waste contractors. ECI backed a buyin/buyout of the company, which employs 200 people on a 19-acre site in Worcestershire, in 2005.

### Premier Bathrooms

Specialist bathing products  
Buyout 2007  
[www.premierbathrooms.co.uk](http://www.premierbathrooms.co.uk)



Premier is the market leader in the UK and North America in the design, manufacture and installation of specialist bathing products for assisted living, including walk-in baths and easy access showers. The company sells its products to both the institutional market and direct to the consumer. Demand for its products is growing strongly on the back of a growing elderly population and a trend towards assisted living within the home as an alternative to residential care. ECI invested for a minority stake in the group in March 2007.