SUMMIT
CAPITAL ADVISORS

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# FOR SALE: Industrial Insulation Fabricator and Distributor

Industry Leader with a 45+ Year History and Strong 33-35% Adjusted EBITDA Margins

| | | | |
|---|---|---|---|
| **Asking Price:** | $ 4,850,000 | | |
| **Revenue:** | $ 3,536,857 | | |
| **Adj EBITDA:** | $ 1,179,096 | | |
| **FF&E:** | $ 150,000 | **Included?** | Yes |
| **Working Capital:** | $ 1,100,000 | **Included?** | Yes |
| **Real Estate:** | Owned | **Included?** | No |
| **Asking Price:** | $ 2,000,000 | **Size:** | 25,000 SF |
| **Employees:** | 12 FT (including Owner) | | |
| **Location:** | Midwest | | |

** Stock Image*

**Business Summary:** Summit Capital Advisors represents a confidential opportunity to acquire a highly respected, long-established distributor, fabricator, and installer of high-temperature industrial insulation and refractory products based in the Midwest. The 45+ year old company has evolved from a material reseller into a vertically integrated solutions provider with an exceptional reputation for quality, expertise, and responsiveness. The business serves a wide range of industrial end markets including steel mills, foundries, heat treaters, forging operations, investment casters, automotive, and aerospace manufacturers. The business operates in four complementary segments: distribution of refractory ceramic fiber (RCF) and related materials; custom die cutting of gaskets and mold wrap kits; structural steel fabrication incorporating RCF components such as furnace doors, preheater lids, and ladle covers; and field installation and repair of high-temp linings at customer facilities. With 12 full-time employees including the owner, the company operates out of a 25,000 sq. ft. facility and is known as the top-quality provider in its market. For the past three years, the business has generated consistent revenue of $3M-$3.5M and Adjusted EBITDA of $1M-$1.2M annually, resulting in strong 33-35% Adjusted EBITDA margins with no single customer representing more than 30% of revenue. This is a rare opportunity to acquire a highly profitable, technically specialized industrial business with a loyal customer base, recurring revenue, and unmatched reputation in the high-temperature insulation market.

**Financial Overview:**

| | 2022 | 2023 | 2024 |
|---|---|---|---|
| **Revenue** | $3,040,001 | $3,373,334 | $3,536,857 |
| **Adj EBITDA** | $1,071,978 | $1,152,237 | $1,179,096 |
| **% Margin** | 35.26% | 34.16% | 33.34% |
| **3 Year Weighted Ave EBITDA** | | | **$1,152,290** |

**Furniture, Fixtures, and Equipment (FF&E):** FF&E of $150,000 is included in the asking price consisting primarily of six traveling head die presses, welding and fabrication equipment, tooling, dies, support equipment, pallet racking and shelving for storage, forklift, two box trucks, and one stake body truck along with up to date computer systems and office furnishings.

**Working Capital:** Inventory, Accounts Receivable, and Accounts Payable are included in the asking price as part of a normal level of Working Capital of $1,100,000 with the final sale price to be adjusted up or down for actual amount of Working Capital in excess or deficit of the target at time of closing.

**Real Estate:** Real Estate is owned in a separate legal entity and available for lease or purchase with the business. Preference is to lease the property to a buyer of the business on a long-term lease at the current normalized rent of $20,000/month. Estimated fair market value is $2,000,000 not included in the Asking Price of the business. The building is approximately 25,000 SF of warehouse, manufacturing, and office space with 10-ton overhead crane capacity and has both drive-in and loading dock overhead doors.

**Growth and Expansion:** The owner does not currently do any outbound sales and marketing and relies entirely on repeat business from existing customers and word of mouth from their reputation for industry leading quality. Significant growth opportunities exist by adding a salesperson, enhancing outbound marketing efforts, and targeting additional geographic regions.

**Reason for Selling:** The owner is seeking a sale as part of retirement and succession planning for the company.

**Support & Training:** The owner is willing to stay on for a reasonable time after a sale to ensure a smooth transition of ownership. The owner is currently semi-absentee with a tenured Vice President in place running the day-to-day operations of the business.