

Mid-Atlantic Gray/Ductile Iron Foundry

Executive Summary

The owner of a Mid-Atlantic USA gray/ductile iron foundry is seeking strategic options for his foundry. The foundry produces castings to 5,000 pounds in gray iron and ductile iron. The average casting weight is in excess of 600 pounds. A full range of iron alloys including Austempered ductile iron are produced. Major customers are compressors, power transmission, maritime and refrigeration. The Company is operating at about 60% of capacity.

Melting

Melt is coreless induction. There are three (3) 4,000-pound furnaces installed new in 1992 and updated since then. The foundry has a very low electric rate at \$.045 per kWh going to \$.040 in October 2020. About 70% of the production is gray iron and 30% is ductile iron.

Molding

Molding is all no-bake with casting weights to 5,000 pounds. Molding is a modern semi-automated no-bake molding line with two 10,000-pound rolover machines. The line also has two flow coating stations. The foundry is ideal for large castings ranging from 1 per month to 200 per month. Average casting weight is just over 600 pounds.

Coremaking

The Company produces cores in shell molding and no-bake.

Facilities

The plant is 107,000 square feet on 4.4 acres of land zoned for manufacturing. The buildings are concrete and steel and in good condition. It is located within one hour of a major East Coast international airport and multiple highways serving both the Northeast and Midwest.



Management and Personnel

The foundry is fully staffed with an excellent team that desires to stay with the Company. The owner is not involved in the daily operation and corroborates with the President on strategic decisions. This is a non-union company. The management team is a key asset of this business.

Financial

Summary Income Statements						
fye December 31, unless noted	Actual					
	2013	2014	2015	2016	2017	2018
Net Sales	\$12,364,582	\$10,502,512	\$7,891,245	\$6,646,006	\$8,265,944	\$12,617,170
EBITDA	1,167,436	1,224,365	657,711	512,879	447,442	960,753

Reason for Sale

The owner of the Company is not active in the daily operations and is seeking to retire.

Additional Information

For additional information contact:

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