



FOX INNOVATION & TECHNOLOGIES (FOX) ACQUIRES COTTER HOLDINGS GROUP TO EXPAND FIELD OPERATION CAPABILITIES ACROSS THE US

Cotter acquisition puts in place the final critical building block outlined in the original business plan for Fox at launch of the platform last year

- Fox Innovation & Technologies (Fox), led by former Dresser-Rand CEO, Vincent Volpe, makes second acquisition to expand its compressor and rotating equipment business.
- Cotter Group Holdings will become the field project execution arm of the current Fox business, taking the platform to over \$100 million in LTM revenue on a proforma basis
- Vincent R. Volpe, CEO of Fox Innovation & Technologies, said: ***“This acquisition signifies the completion of the first major phase of our business plan to be able to provide technology equal to or better than any of the OEMs, with the agility and responsiveness normally associated with first tier providers of traditional aftermarket services. Our technology capabilities have now been verified on test. The acquisition last July of REVAK brought us the fundamental manufacturing footprint to produce the revamp hardware, along with the core capability to perform multiple product line repairs. The acquisition of the Cotter group now adds the field service capabilities needed to complete the core business approach. The platform for carbon footprint reduction, energy security for our clients, and a long-term profitable growth trajectory for Fox are now in place. Going forward we will continue to enhance the core in terms of engineered solutions and the geographic footprint required to make us the Customers’ first choice in our served markets.”***

01/08/24: Fox Innovation & Technologies (Fox), a fast-scaling provider of advanced technological solutions specialising in high-speed rotating equipment, has today announced the acquisition of Cotter Holdings Group (Cotter Group), a highly regarded rotating machinery services provider. This strategic acquisition will significantly enhance Fox’s field operation capabilities and expand its footprint across the US.

Fox will be leveraging the Cotter Group’s extensive experience executing critical service projects in the field to expand Fox’s offering to provide a comprehensive and efficient full-service solution to its clients. The combined expertise of both companies will facilitate the development and implementation of innovative solutions tailored to meet the market's evolving needs.

Notably, this acquisition encompasses Cotter Group’s portfolio, including S.T. Cotter Turbine Services, Axis Mechanical Group, and Axis Industrial Repair services, which collectively employ up to 500 individuals at peak capacity and will take the Fox platform to over \$100 million in LTM revenue on a proforma basis.



According to Vincent Volpe: “Approximately three years ago, when we were seeking financial backing, I contacted Tom Sikorski (a founding partner at Blue Water). The fundamental plan we agreed upon required first and foremost that we develop world-class technology around compressor flow path efficiency. That is now in place. The second and third legs of the strategic stool required a) manufacturing and repair capability, and b) a field services organization capable of effectively connecting our solutions directly to the end users. The REVAK acquisition provided us the second leg, and over the last 12 months we have made good progress in the integration and reconfiguration of the facility and key processes to meet our future needs.

In looking for a Field Operations solution we sourced, evaluated and undertook due diligence on three major players in the space. While each of the potential targets had its merits, the operating margins and working capital management we found at the Cotter Group companies set it apart from its competitors. The company is well run, and while there will be areas where shared services combinations will bring us stronger global singular processes, the clear message is that we are already actively working on the sales and marketing synergies that should increase the value we bring to our clients, and thereby allow us to grow profitably over the long term. **This acquisition is a defining step forward for Fox Innovation & Technologies.**”

Shawn Cotter, Founder and COO of Cotter Group Holdings said: “We are delighted to be partnering with Fox on the next stage of our growth journey. It was very important to us that we partner with a next level services provider to enhance our already top tier field services. Fox Innovation & Technologies brings a level of engineering, management and revamp technology that will further displace the OEMs and bring our customers longer run times, more reliability, and lower operating costs.”

“We started this business over 17 years ago and are very proud of the success we have achieved in the market. We are grateful to our clients and our top-notch field craft as well as our supporting cast of people for the value they added to the company and our customers. Fox brings the technology and manufacturing capabilities that can take us to the next level.”

Tom Sikorski, Founding Partner at Bluewater, commented: “This acquisition is highly strategic for Fox and a testament to the strength and potential of both companies. We are pleased with the continued progression of the Fox platform and are excited to see them continue to focus on expanding their best-in-class operations within the compressor and broader rotating equipment market in new complementary service lines.

“With the Revak manufacturing and repair division delivering on our expectations under Fox’s management, we see this as a similarly great opportunity and will be supportive partners to the Cotter Group for its next chapter under Fox’s stewardship on its US and global growth trajectory.”



“We are fortunate to have the chance to work again with Vince Volpe and his team on this platform, with the successful addition of the business Shawn Cotter has built being further evidence and validation of their ability to recreate the prior success of Dresser-Rand.”

Daniel Badzire-Smith, Vice President at Bluewater, adds: “Having worked on this transaction with the Fox leadership team I see the merits in both the synergy potential of the acquisition in the combination of Fox and the Cotter Group as well as the new additions to an already industry leading management team.”

The integration process will begin immediately, with a focus on ensuring a seamless transition for both companies’ employees and clients. Fox and the Cotter Group are committed to maintaining the highest levels of service and support throughout this period.

The cost of the transaction is undisclosed.

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About Fox Innovation & Technologies (Fox)

Fox Innovation & Technologies (Fox) is a leading full-service provider of advanced technological solutions designed to enhance operational efficiency of rotating equipment with critical infrastructure applications. Delivering best-in-class offerings using proprietary technology-enabled products and services, Fox serves a diverse range of industries with a focus of CO2 reduction that will achieve the equivalent of removing 2 million cars off the road within 10 years.

About Cotter Holdings Group

Cotter Holdings Group is a premier field operations and logistics company with a proven track record of excellence. Serving a wide array of industries based around rotating machinery including: petrochemical plants and oil & gas refineries, power generation assets spanning conventional and specialist nuclear reactor sites, and industrial supply chain facilities. Cotter Holdings Group is dedicated to managing and delivering top-tier planned and un-planned maintenance and turnarounds outages projects for its clients to achieve their goals and parameters while always maintaining safety as job one.

About Bluewater

Bluewater is a specialist international private equity firm focused on the middle-market energy sector. Their experienced investment and operating professionals drive value creation as they manage \$2.5billion of investment across a portfolio of 19 companies. Today, Bluewater has a prime focus on projects or technologies that contribute to the energy transition agenda and works to a diversified investment strategy based on the principles of sustainability and close

working partnerships with best-in-class management teams. ESG is a key focal point for Bluewater, with the firm being a signatory to the UN Principles for Responsible Investment.

Supporting Image: "Picture of two compressors"

