

DATE

September 29, 2021

SECTORS

Industrials

DEAL TYPE

M&A Advisory

DEAL LOCATIONS



DEAL TEAM



Michael Mariaz
Managing Director



Ajay Patel
Director

BDR THERMEA GROUP



DC Advisory advised BDR Thermea Group on its divestment of ECR International to TerraVest Industries

Background

- Founded in 1928 and headquartered in New York, ECR International (ECR) is a leading North American manufacturer of an extensive range of heating and cooling products and solutions including boilers, air conditioning and hydronic systems
- ECR sells its products under a family of eight well established brand names, including the Dunkirk and Utica boiler brands, and has a 10%+ market share in the North American residential boiler market
- The business operates across its two manufacturing facilities in Utica (NY) and Dunkirk (NY) and has over 200 employees

Process

- DC Advisory (DC) was engaged by ECR's parent company, BDR Thermea Group (BDR), to advise on the sale of ECR
- DC worked closely with management to best position the business, highlighting the significant growth opportunities in the North American high efficiency boiler market. DC also provided strategic and commercial advice to the shareholders throughout the divestment process
- During the process, DC leveraged its strong international network and specialist knowledge in the Heating, Ventilation and Air Conditioning (HVAC) sector to approach a number of potential strategic and financial purchasers across North America and Asia

Outcome

- On 19 August 2021, TerraVest Industries (TerraVest) completed the acquisition of ECR
- Founded in 2004 and headquartered in Canada, TerraVest is a listed diversified industrial company with an established history of acquiring businesses in North America
- The combination of ECR and TerraVest will offer multiple opportunities for value creation through cross-selling, distribution and procurement synergies with TerraVest's subsidiary Granby Industries, a Canadian manufacturer of boilers, furnaces and water storage tanks
- This transaction will help sharpen BDR's strategic focus as it aims to accelerate the energy transition in Europe, and other key markets including China, Turkey and Russia
- ECR will remain an important business partner to BDR, continuing to offer BDR's high efficiency technology in the US and Canada
- The transaction further enhances DC's strong track record in the HVAC sector and demonstrates our expertise in complex non-core carve outs

“We are delighted to have advised BDR on its divestment of ECR to TerraVest. ECR's rich heritage and excellent reputation within the industry means that it is well positioned to become the preferred supplier to North American hydronic and HVAC trade partners. We look forward to watching ECR and TerraVest flourish as the business shifts its focus towards the exciting high efficiency segment. This transaction further highlights DC Advisory's expertise in the HVAC sector, as well as our ability to execute complex, international corporate divestments.”

Michael Mariaz, DC Advisory London