

## Trusted Advisor to Automated Robotics and Material Handling Solutions Providers

### Commentary:

- The global automated material handling equipment market size was valued at \$35.8 billion in 2019 and is projected to reach \$56.5 billion by 2027 (Fortune Business Insights).
- The key drivers of rising demand for automation include global and local supply chain disruptions, increasing customer demands on delivery dates, rising omni-channel fulfillment requirements, increased focus on warehouse safety, and scarce and increasing costly labor resources.
- A variety of warehouse robotics are now available (AMR, ASRS, AGV, etc.) and although different in specific capabilities, as a whole, robotics are transitioning warehouses to faster, safer, and more precise facilities across a variety of industries.
- From a strategic planning and Mergers & Acquisitions (M&A) perspective, the automated material industry is still extremely fragmented and positioned for growth through consolidation at attractive multiples (especially for those with differentiated solutions).

### Sell-Side M&A Automated Material Handling Case Study: Zone 4 Systems Acquired by Hamilton Robinson Capital Partners

#### Situation:

- Headquartered in Orange, CA, **Zone 4 Systems Integration and Design** leads the world in automated warehouse logistics. Zone 4 delivers unparalleled expertise implementing automated storage/retrieval systems (AS/RS), multi-shuttle, and mini-load systems in the rapidly expanding e-commerce, logistics, grocery and food delivery markets.
- The Company's Founders were evaluating various strategic alternatives to generate liquidity and diversify their net worth, while identifying a partner that could provide future upside by accelerating growth via expansion and industry consolidation.

#### Solution:

- After running a highly tailored sale process, the Company received numerous bids within an attractive valuation range. Ultimately, the Zone 4 Founders selected Hamilton Robinson as its equity partner moving forward and were able to accomplish their stated goals through a structured transaction..
- "We are excited to have found a partner that aligns so closely with Zone 4's values, company culture, and vision for the future. With Hamilton Robinson's leadership and resources, we know we will be able to scale faster, build capacity and expand our portfolio of services to help our current and future customers compete in the growing autonomous robotics industry," stated Steve Martinez, CEO of Zone 4.
- "The HCA Team was great to work with during the sale process. From start to finish, their understanding of our sector, its growth and our specific expertise helped position our Company for a successful outcome. The HCA team found the right partner, from a financial and cultural perspective, to help take our business to the next level. We are happy with the transaction and excited for the opportunities in the years to come."



has been acquired by



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