



All Flex Flexible Circuits & Heaters
Proposed 2020 Expansion Plan Overview

1705 Cannon Lane
Northfield, MN 55057

Contacts:

Gary Ryan, COO
gryan@allflexinc.com
Phone

John Fallon, COO
jfallon@allflexinc.com
Phone

Company History and Overview:

Over twenty-five years ago All Flex was founded as a quick turn prototype and low volume production manufacturer of single sided and double sided flexible circuits. Today All Flex has expanded its capabilities to include multi-layer, extended length Maxi Flex®, Fine-Line Maxi Flex®, rigid flex, sculptured flex, and heater circuits. All Flex developed into a full line low to medium and high volume manufacturer providing value add services like surface mount and through hole assembly, testing, design, and engineering support.

In 2007 the original owner retired and today All Flex is still privately held. It is owned by a combination of employee ownership and Granite Equity Partners, a private investment firm that grows companies in greater Minnesota for continued long term stability.

All Flex focuses on responsive actions that ensure continuous quality improvements while providing attentive customer support. Our systems are designed to meet delivery and quality commitments to achieve the highest level of customer satisfaction. We also realize time is critical for our customers, therefore we strive to provide quotes, lead times, and order confirmations in 24 hours or less. We pride ourselves on quick response time.

Current Operations:

The company has three facilities, all based in Minnesota, USA. Headquartered with two facilities in Northfield, MN, All Flex is just 45 miles south of Minneapolis, where the production plant consists of 19,500 square feet and an additional 6,000 square foot facility for support staff and some production. All Flex has a third production facility of 21,000 square feet located 35 miles north in Bloomington, MN. It is eight miles from the Minneapolis/St. Paul International Airport. Together, the company employs over 200 people. All Flex is certified to Aerospace AS9100, ISO 9001, MIL-PRF-31032/3 & MIL-PRF-31032/4, ITAR/JCP registered, RoHS Compliant, and an active IPC member.

Company Expansion Options:

For the past several years, we have been contemplating growth plans. Options include adding onto our facility in Northfield vs acquisition of another company within the industry. We have confidentially identified companies whom we believe have not positioned themselves as well as we have and thus could be acquired at a very attractive price and are weighing the benefits of acquiring an existing facility, equipment and labor force vs the time required to build onto our facility, finance and employ new capital equipment and hire and train a new staff. Central to this discussion is the overall cost of the project and thus we are very interested in factoring potential financial incentives from the local community to the state level into this decision.

Project Parameters:

Should the company choose to move forward with expansion in Northfield, project parameters are as follows:

Facility:

We would add 14,500 sq ft of additional production space and production would commence in Q1 of 2020. Estimated construction costs are \$2.3M.

Capital Expenditures:

We would add an estimated \$8M of new capital equipment between 2020-2023.

Labor:

We would add 35-40 new jobs in our Northfield location and would anticipate an additional 30-35 jobs at our Bloomington location. Please see that attached labor projections and benefits information.

We have identified a gap of \$400-\$500K to finance the expansion as much of these costs are incurred up front (vs acquisition options which could be structured in large part through seller-based financing). Thus we are interested in determining what financing and incentive programs from a local to a state level may a) contribute toward closing this gap and b) be factored into the overall project scope to analyze longer term cost effectiveness (ie: programs like tax increment financing).