

Media Release

Leadec expands its automation footprint with the acquisition of US-based Diversified Automation

Stuttgart, Germany/Louisville, KY, USA, 2021/01/11 – Leadec has acquired Diversified Automation, an automation controls and software solution provider, effective December 31, 2020. With this acquisition, Leadec expands its portfolio into parcel automation and strengthens its existing operations in North America.

“Engineering and process automation are the spearhead of Leadec’s service offering across the factory life cycle,” says Markus Glaser-Gallion, CEO of the Leadec Group. “Diversified Automation ideally completes our service portfolio with controls and software solutions for the parcel industry, a market segment thriving due to the growth of e-commerce. This also strengthens the technical profile of our US operations.”

Currently, Leadec generates about 23 percent of its sales in the US with a workforce of about 2,200 employees, mainly with long-running on-site service contracts in the manufacturing industry. Leadec – a global player on four continents with 20,000 employees worldwide and almost 60 years of experience – is a leading service specialist for factories at every stage of their entire life cycle and across their related infrastructure.

Diversified Automation, headquartered in Louisville, KY, USA, started in 2002 and is now a leading independent automation player. They offer their system controls and software solutions to mechanical integrators serving global parcel and e-commerce companies such as UPS, FedEx and Amazon, with more than 140 experts based all across the country. Diversified Automation generates revenues of approx. 100 million US dollars per year. They possess strong expertise in hardware and software engineering and project management.

“We have built a forward-focused company,” says Tony Young, Founder and President of Diversified Automation. “One that combines innovative thinking, deep technical knowledge, and professional project management, meeting the needs of our core customers. We design for stability and reliability. Together with Leadec we now take the next step to accelerate growth for our customers and ourselves. I am excited about this new direction for our company, and for the great culture and values fit that we have with Leadec.”

Leadec and Diversified Automation serve complementary industries, and so combine the opportunities of a diverse customer base. Diversified Automation will benefit from Leadec's automotive relationships and reputation in the US. While Diversified Automation is well established in the express parcel shipping industry, allowing Leadec to take advantage of e-commerce-driven growth in the USA and also start to perform projects to support UPS, FedEx, DHL and Amazon throughout Europe and surrounding territories, thereby opening up substantial markets and opportunities to grow the combined businesses.

Citizens M&A Advisory acted as exclusive financial advisor to Leadec in its acquisition of Diversified Automation.

About Leadec

Leadec is the leading global service specialist for factories across their entire life cycle and related infrastructure. The company, which is headquartered in Stuttgart, employs about 20,000 people worldwide. In 2019 Leadec earned sales of around EUR 900 million. For almost 60 years, Leadec has been supporting its customers along the entire production supply chain. The service provider is based at more than 300 sites, often directly at the customers' plants and facilities.

Leadec's global services comprise: Engineer (Production Planning & Optimization, Automation and Production IT), Install (Electrical Installation, Mechanical Installation and Relocation), Maintain (Production Equipment Maintenance and Technical Cleaning), Support (Technical Facility Management, Infrastructural Facility Management and Logistics) as well as other local services. The Leadec.os digital business platform is used to record all processes end-to-end and integrate further digital services.

For more information about Leadec go to: www.leadec-services.com

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About Diversified Automation

Diversified Automation, Inc., is an industrial automation solution provider, leading the industry in experience, service, and innovation. The company specializes in the express parcel shipping and warehouse/distribution industries. Diversified Automation (DA) designs, engineers and installs automated material handling solutions supported by strong project management capabilities to ensure systems are delivered on time and within budget.

DA started in 2002 based on the philosophy that system controls make the difference in any material handling system. DA's purpose and vision are simple, Create Raving Fans by leveraging technology and leading innovation today, while transforming business and impacting our world tomorrow. It is now a leading solutions provider working with Fortune 500 companies like UPS, FedEx, Amazon and DHL. DA is headquartered in Louisville, Kentucky, with offices and remote teams located in Dallas, Atlanta, Indianapolis, Columbus, Las Vegas, and Los Angeles.

For more information about DA go to: www.diversified-automation.com