

Stratasys Buys 2 US 3D Printing Cos.

By **Chelsea Naso**

Law360, New York (April 02, 2014, 2:39 PM ET) -- Israel-based Stratasys Ltd. will buy two privately owned U.S.-based 3D printing companies, with plans to pay \$295 million for Solid Concepts Inc. and an undisclosed amount for Harvest Technologies, according to a Wednesday statement.

Under the terms of the acquisition, Stratasys will combine Solid Concepts and Harvest Technologies with its own digital manufacturing services unit, RedEye, according to the statement.

Solid Concepts is North America's largest dedicated 3D printing company and has expertise in the medical and aerospace industries, according to the statement. Harvest Technologies is a specialty services provider that has extensive parts production experience, the statement said.

"With Solid Concepts and Harvest Technologies, together with RedEye, we expect to create a strategic platform to meet our customers' additive manufacturing requirements by significantly expanding our offering, targeting new applications, and strengthening our customer relationships," said David Reis, CEO of Stratasys.

For Solid Concepts, the Israeli firm will pay \$172 million at closing, or, if using cash, will make a partial payment on closing and the remainder six months after closing, according to a statement. Stratasys will also make deferred payments of \$60 million and up to \$63 million in retention-related payments. The amounts will be payable in cash, Stratasys shares or a combination of the two, the company said.

California-based Solid Concepts offers custom manufacturing through 3D printing, prototyping, cast urethanes, injection molding and tooling as well as engineering in multiple fields to create new products, the company said.

"As part of a larger company with a broad customer reach and market coverage, Solid Concepts will be even better positioned to meet the significant demand for our additive manufacturing offerings," Joe Allison, president of Solid Concepts, said in a statement.

The financial terms of the deal for Harvest Technologies were not disclosed, but Stratasys said the price tag would include retention-related payments that can be made in cash, shares or a combination of the two.

Based in Texas, Harvest Technologies was founded in 1995 by a father-son team. The company runs a fleet of about 40 machines and supplies end-use parts and prototypes, the company said.

“We are delighted to join forces with Stratasys and Solid Concepts in a transaction that will enhance Harvest Technologies’ leadership in producing end-use parts using the most advanced additive manufacturing technologies and processes,” said David K. Leigh, president of Harvest Technologies, in a statement.

Counsel information for Stratasys and Harvest Technologies was not immediately known.

Solid Concepts is represented by a Sheppard Mullin Richter & Hampton LLP team led by Lawrence M. Braun, Zachary M. Turke and Jason R. Schendel.

--Editing by John Quinn.

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