

CLIENTS PURCHASE ENGINEERING FIRM



“We have worked with the SBDC twice to purchase a business. We could not be happier with the services .”

-Ryan Martorella, Owner

Name Ryan Martorella
Company Modular Engineering
Address 1945 Grove DR
Erie PA 16505

County Erie County

Website: modularengineering.com

Industry: Manufacturer, Service

Year Founded: 2000

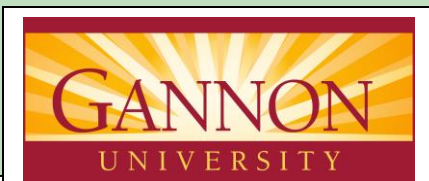
Consultant Name: John Snyder

SBDC Assistance: Valuation,
Projections, Business Plan

Additional Partners: Key Bank, NW
Commission

Gannon University SBDC
900 State Street
Erie, PA 16501

Phone: 814-8717232
Email: gusbc@gannon.edu



Background:

Ryan Martorella, Fred Teitman, and Shaun Seifert decided to purchase a business in 2016. However, they were unable to obtain a fair price from the seller. They did not give up on finding a business to purchase. In 2017, Modular Engineering became available for sale, and they believed this business was even better suited for their skills.

Modular Engineering is company specializing in the building of custom, modular buildings for industrial, commercial, public or institutional use. The company specializes in the difficult design and construction problems that many institutions face across the country and around the world.

The market is split between Permanent Modular Construction (PMC) and Relocated Buildings (RB). They differentiate themselves through competitive lead times, costs, and capability. The sellers had developed a very good reputation with end users and customers such as Praxair and Airgas. The new owners are looking forward to expanding the business.

Assistance Requested/Provided by SBDC

Ryan, Fred, and Shaun approached the Gannon SBDC in 2016 when they were looking at the first business. When that fell through, they came back to the SBDC. They needed assistance with a business plan and financial projections. The SBDC prepared the financial projections and reviewed their business plan. The SBDC also prepared a valuation for both companies to see if the sellers' prices were fair.

Outcome and Impacts

The clients received \$1 million in financing and purchased the business in March 2017. Six high paying jobs have been retained and created. The new owners are projecting approximately \$2 million in sales for their first year.