

DECEMBER 8 - 14, 2006

Investment to fuel growth for AccuMed

BY TRACEY DRURY
tdrury@bizjournals.com

AccuMed Technologies Inc. plans to grow and add more jobs to its Buffalo site after receiving a multimillion-dollar investment from a Rochester-based private equity firm.

Trillium Group announced an equity investment Dec. 6, providing the financial base necessary for AccuMed to continue its growth.

AccuMed officials said the \$6 million from Trillium was part of an overall \$22 million financing package the company received, with the remainder coming through Citizens Bank and mezzanine funding from Pine Street Capital Partners in Albany. The funding was used for a management buyout and to restructure old debt, said Bill McGowan, CFO.



Blaszczykiewicz

AccuMed President Tom Blaszczykiewicz, who owns 70 percent of the company, bought out partners David Holfoth and Joseph DiMaria.

Blaszczykiewicz expects AccuMed to launch a retail line of insoles and heat therapy products in first quarter and move a company it bought last year from Pennsylvania to Buffalo, bringing 15 new jobs.

"We have so much talent here in Buffalo. We've got a great team," he said. "Bringing that here will increase our output and significantly reduce our scrap."

Plans call for further growth of domestic operations, including expanding employment from the current 190 to 250 in the next year while growing revenues from \$30 million to \$40 million.

AccuMed has been on a rapid growth pace for the past few years, reaching revenues last year of \$23.5 million. The company has set a goal to reach \$100 million by 2010. In May, the company inked a three-year deal worth \$11.5 million with Velcro USA. It also is working on several military contracts, providing specialty fabrics for protective garments and equipment.

Founded in 1994, the company manufactures high-tech fabrics used in the medical, safety, sporting goods and footwear industries. About half of all products manufactured are exported overseas to markets in Europe, China, Africa, Australia and New Zealand. The company operates from Bud Mill Drive in Buffalo. It also has locations in Pennsylvania, the Dominican Republic, Europe and India.

Christopher O'Donnell, a general partner at Trillium, said the firm had been looking for opportunities in Buffalo. AccuMed Technologies was ideal because of its strong management team, the success the company has had in executing a growth plan and its products.

"It is clearly a differentiated product. It's patented, and it's starting to garner tremendous brand recognition in the marketplace," O'Donnell said.

Trillium funds growth, buyout/recapitalization and early-stage minority equity investments in businesses that are either based in New York state or maintain a significant presence within the state. Investments range from \$2 million to \$8 million. The New York State Common Retirement Fund is the single largest investor in Trillium Lakefront Partners III, with the AccuMed deal representing the fund's eighth investment.