



## **Business Profile 2007**



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## HISTORY

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**Engineers Solutions Partners, Inc. and Energy Tech, LLC started EspiTech, LLC in 2001.** EspiTech is an importer, designer, and manufacturer of niche HVAC products sold through exclusive distribution in the U.S. and worldwide. We are specialist at fulfilling the needs of customers on low volume products, otherwise forgotten about by most major manufactures. We look at ourselves as solution providers.

EspiTech is partnered with a flexible, major manufacturer in Thailand to produce all equipment or hard goods related to our product lines. Our manufacturing facility in Thailand is publicly traded on the Thai stock exchange (SET) and manufactures parts and products for Toyota, Nippon, Fujitsu, LG, Daikin, Copeland, and many others. As major investors of the overseas operations, EspiTech has a strong hold on the manufacturing and quality of our products.

All of the Velocity Plus duct system and many of the accessories are produced in our Chesterfield, Mo. Location.



**Rayong, Thailand Facility**

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## PRODUCTS

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Today, EspiTech sells high-velocity indoor air moving systems, 13 SEER Horizontal Condensing units and all the accessories for these lines.

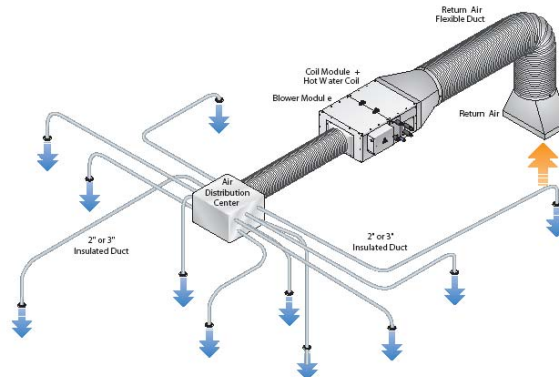


**13 Seer Horizontal Condensing Unit**

The Company is poised to grow rapidly in the HVAC industry through both direct sales and private label programs. 2006 product developments included improved blower modules, new rectangular flex ducts, and 13 SEER Horizontal Condensing units. 2007 brings more improvements to existing products and the introduction of 410A Condensing units, 3 thru 10 ton chillers, and a line of Multi-split units.

All products are manufactured in a ISO 9002 environment and to all required UL and ARI certifications.

EspiTech is always growing by looking at the needs of niche HVAC market and evaluating the possibilities to bring that need to market.



**The Velocity Plus System**

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## ORGANIZATION AND PERSONNEL

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One of EspiTech's strengths is in its management personnel. EspiTech has assembled individuals who bring a great deal of strength in their respective fields. The sales team has over 60 years of combined experience in the HVAC field and engineering has in excess of 100 years of experience.



### **Engineering in Rayong Facility**

EspiTech, LLC is privately held by two other privately held organizations – Engineering Solution Partners, Inc and EnergyTech, LLC. The management of the company is made up of a representative of each partner companies; John Neri is acting President of the company and runs the day-to-day operations and AJ Signorelli is the CFO and handles all the banking and financial aspects of the company.

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## MARKETING AND SALES

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### DOMESTIC SALES

The Company has assembled a network of independent sales representatives throughout the United States. These representatives are directed by a Sales Manager on behalf of EspiTech. Inside sales work with the independent representatives to process the customer's order.

The key to EspiTech's success is the strong relationships it has established with its key distributors. The HVAC industry is a three-step distribution process with key relationships being between the contractor or dealer and the distributor. EspiTech's long-term relationship with these distributors ensures a long and trusting relationship providing quality products with the most competitive programs in the industry.

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## WAREHOUSING

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Since 60% of EspiTech products are sold directly from our facility in Thailand to the customer, we only have to stock for 40% of our business. EspiTech currently has 19000 square feet of warehousing and assembly in Chesterfield, Missouri and over 20,000 in Rayong, Thailand. Another 20,000 square feet of warehousing is utilized in the New England market for the Velocity Plus line of products.



**Chesterfield Shipping**



**Warehouse and Shipping Area Rayong**

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## MANUFACTURING

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The Rayong, Thailand facility produces all of the equipment on new assembly lines. All lines incorporate Product on Demand Technology and can produce products in batches of one. This manufacturing technology has many quality assurance checks and balances to ensure all the products are manufactured and tested according to the specified requirements of Engineering. All line workers have pictured tasks of the work performed and of the quality checks they must perform on the prior workers tasks.



**Flow Manufacturing Lines with Leak Detection**

Our Chesterfield location manufactures and assembles the duct system for the Velocity Plus Line. These products include Air Distribution Centers, Return Air Kits, Secondary Drain Kits, and others. All Air Distribution Centers are manufactured using R8.5 Koolduct, phenolic board. The board is grooved and assembled according to UL standards and makes for the only sealed duct system in the industry.



**Koolduct Grooving Machine, Chesterfield**

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## SUMMARY

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EspiTech is poised to be one of the few successful niche manufacturers and marketers in the HVAC industry. Our sixth year with double digit growth illustrates our commitment to strategy and to the markets we serve. A successful strategy of quality products, advanced manufacturing, proven sales distribution process, and industry knowledge has driven our growth.

