

## **Connector Manufacturers Continue to Expand Product Horizons**

The latest acquisitions outside the traditional interconnect arena have come from TE and Molex.

**TE Connectivity** agreed to buy AdvancedCath, a maker of catheter systems, for \$190 million in cash. The deal is expected to close in March. AdvancedCath's 2015 sales are projected to be \$60 million. TE stated that the purchase "complements and significantly expands TE's connectivity and sensor position in the attractive, high-growth interventional space of the medical market," and will allow the company to offer more integrated medical systems.

**Molex Inc.**, and certain of its affiliates, have acquired SDP Telecom headquartered in Montreal, Canada. The company designs and manufactures RF/microwave solutions for the wireless communications industry. "Together, Molex and SDP will broaden our RF/Microwave product capabilities and create additional value for our customers in the growing wireless infrastructure market," said Tim Ruff, senior vice president, Molex. "This is a next step towards achieving our vision to offer total integrated solutions to the markets we serve."

### ***Bishop & Associates' Comments***

Over the last 24 months, we have seen both TE Connectivity and Amphenol expand their product portfolios outside of their traditional interconnect base with sensors. In November 2013, Amphenol agreed to buy GE's Advanced Sensor business, which manufactures sensors and sensor-based instruments, for \$318 million. In June 2014, TE agreed to acquire Measurement Specialties Inc., a \$540 million business which manufactures sensors and sensor-based systems.

Many connector companies are expanding into spaces adjacent to their markets. Although this has been going on for many years, some of the more recent acquisitions have taken the connector companies further away from the interconnect business and more toward the products that use connectors.