

SN Tech & ElectroCraft Partner to Produce an American-Made Super Efficient “Green” Motor

Partnership will produce the most efficient EC motor manufactured on U.S. soil and create “green” jobs

SEARCY, ARKANSAS- (August 23, 2010) SN Tech Inc., a leading manufacturer of electronically commutated electric motors, announced the company has formed a partnership with ElectroCraft Arkansas Inc. to produce a “green” motor at ElectroCraft’s Searcy manufacturing facility. The companies will hire about 55 new employees combined, taking total employment in Searcy from 70 employees to about 125.

The initial products to be produced at ElectroCraft will be ¼- to one-horsepower motors for the residential market which will be available this fall. The company plans to roll out two- to five-horsepower motors for the commercial market in late 2011 or early 2012. The technology that creates these motors was developed in South Korea, where SN Tech has a manufacturing facility. It’s SN Tech’s hope that all products for the U.S. market will eventually be produced in Searcy.

“The electronically commutated motor (ECM) has a level of efficiency that exceeds 90 percent, costs less to produce, is more durable and has successfully penetrated the market,” said SN Tech CEO Shannon Bard. “The combination of SN Tech’s patented motor technology and ElectroCraft’s 40-plus years of motor manufacturing experience will yield the most efficient EC motor ever produced on U.S. soil. In addition, the partnership represents the only domestically manufactured EC motor on the market.”

“ElectroCraft is very pleased to partner with SN Tech in this effort to bring this new energy-efficient technology to Arkansas and the world,” said James Elsner, president of ElectroCraft Inc. “We believe there is a huge opportunity with these green motors and we are proud to be part of this leading edge technology. Much credit goes out to Doug Cook, plant manager for our Arkansas operation, for having the foresight and diligence in developing this close relationship with SN Tech. Both ElectroCraft and SN Tech spent many months working to arrive at this important milestone.”

More than 800 million electric motors are used in the U.S. each year. Sixty percent of all electricity generated in the United States is used by these electric motors. However, less than 10 percent of electric motors installed in residential heating and air conditioning systems (HVACR) are energy efficient. SN Tech and ElectroCraft estimate that more than 62 million residential HVAC motors are 8 years or older and will soon need to be replaced.

“This is exciting news for White County and further evidence of Arkansas’s growing stature in the green-technology sector,” Governor Mike Beebe said. “These businesses are succeeding and expanding because their ‘green’ products are practical, efficient, and

often cheaper for consumers. In Arkansas, we will continue increasing our presence in these industries for the betterment of our economy and our environment.” The Searcy Regional Chamber of Commerce worked closely with city leaders, the Governor’s Office and the Arkansas Economic Development Commission (AEDC) on this economic development project. Dr. Ronald W. Hart, a member of the SN Tech Board of Directors added, “Everyone wants to decrease their electricity usage by 50% and feel that they contributed to the green movement, our motors will help accomplish this. More importantly, we are creating green jobs in the U.S.”

“The city of Searcy is excited that ElectroCraft and SN Tech have selected Searcy as the location for their new expansion and we welcome them to our community,” said Searcy Mayor Belinda LaForce. “They will be a tremendous asset to Searcy and the White County region.”

Bard noted, “The State and the city of Searcy committed their ongoing support for this project and have been very supportive of our decision to pick Arkansas as our spearhead in the U.S. The overall teamwork involved in getting this partnership over the goal line has been tremendous.”

In addition to its headquarters in Phoenix, Arizona, SN Tech also has a facility in Seoul, South Korea. The lead investor in the company is SAIL Venture Partners (CA-NY.)

For more than 60 years, ElectroCraft has held manufacturing facilities in the United States. In addition to the Searcy facility, ElectroCraft has a total of eight facilities, with the other U.S. facilities located in Dover, New Hampshire; Ann Arbor, Michigan; and Gallipolis, Ohio.

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