General Electric Buys Ultrafiltration Technology Company

GE Water & Process Technologies, a unit of General Electric Co., has agreed to acquire Zenon Environmental Inc., a global leader in advanced membranes for water purification, wastewater treatment and water reuse to municipalities and industries worldwide. The transaction is valued at approximately $656 million. Over its 26-year history, Zenon has pioneered the use of ultrafiltration technology for water and wastewater treatment. “Zenon is a great strategic fit with GE,” says David Calhoun, GE vice chairman and president and CEO of GE Infrastructure. “With the synergies we create, we will have the potential to grow revenue in the municipal water segment at more than 30 percent for the next several years. Its best-in-class membrane technologies will allow GE to serve the fast growing ultrafiltration segment of water and wastewater treatment, significantly expand our capabilities to help customers address pressing water scarcity issues and play a key role in the high growth areas of the municipal water segment. With this terrific addition, we anticipate our water platform growing to nearly (U.S.) $2.5 billion in revenue next year.” Andrew Benedek, chairman and CEO of Zenon Environmental, says the transaction will benefit both Zenon’s and GE’s customers. “Our advanced membranes and talented team, combined with GE’s technology, scale, strong global network and services expertise, will open up new global opportunities for our ultrafiltration technology.” Zenon’s advanced membranes include membrane bioreactor and hollow-fiber technologies that offer low-cost filtration and disinfection in one step with low energy consumption. Zenon’s patent portfolio is viewed as being able to enhance GE’s current water scarcity platform by providing pre-treatment technology for reverse osmosis desalination and reuse. Zenon’s technology in municipal water treatment is expected to enhance GE’s presence with advanced technology products in this large global industry. Under the terms of the agreement, GE will acquire all the issued and outstanding common shares of Zenon and non-voting Class A shares. Management of Zenon anticipates that a meeting of shareholders will be in late April or early May. GE intends to amalgamate Zenon with a wholly owned subsidiary of GE.

Source URL (retrieved on *12/13/2013 - 6:05am*):
http://www.chem.info/news/2006/04/general-electric-buys-ultrafiltration-technology-company