

Hypertherm and OMAX Public Q&A

Q. What is being announced?

A. OMAX Corporation has signed an agreement with Hypertherm, Inc. in which Hypertherm will acquire OMAX as a wholly-owned subsidiary. The full organization and legal entity are to be purchased as-is and will continue to operate as it does today during the integration. The purchase is expected to close on or around April 9, 2019, at which point Hypertherm will welcome all OMAX employees to the Hypertherm family.

Q. Who is OMAX?

A. OMAX is the largest integrated waterjet cutting systems manufacturer in North America and the second-largest globally, with a little less than 400 people employed. It is 25 years old, based in Washington State, and is the inventor of many of the defining advancements in waterjet cutting technology. OMAX differs from Hypertherm's existing waterjet business in a few different ways. It sells fully integrated waterjet cutting tables, uses direct drive pump technology, rather than the intensifier technology used by Hypertherm, and sells both direct and through dedicated channel partners.

Q. Who is Hypertherm?

A. Hypertherm is a New Hampshire based company that makes plasma systems and waterjet pumps, laser products, and cutting software used by companies worldwide to cut material like steel, aluminum, and granite. The company was founded more than 50 years ago, is employee-owned, and has more than 1,400 Associates around the world. The similarities to OMAX are striking. It is not a publicly traded company, is a market leader founded by engineers, strongly believes in research and development, and is focused on its customers and employees with a remarkably similar and complementary culture.

Q. Why has OMAX decided to make this change?

A. OMAX's founders, John Cheung and John Olsen, devoted their careers to building OMAX into the industry leader it is today. They have been planning the future of OMAX for some time and sought to partner with an organization similarly focused on the customer, leading-edge innovations and values-focused leadership, like Hypertherm. Dr. Olsen sadly passed away earlier this year; however, in keeping with their agreed upon plan, Dr. Cheung has proceeded with the transaction and will remain with the organization as a consultant to help ensure a successful transition.

Q. How will this impact our business relationship?

A. We don't anticipate major changes. OMAX will continue to operate as it does today for the foreseeable future. Over time, the two companies will identify and implement opportunities to leverage their combined strengths for further improvements in customer service and support, enhanced technology development, improved partnership, and market reach.

Q. Will OMAX continue to be based in Kent, WA?

A. Yes, OMAX will continue to operate in Kent as it has for the past 25 years.

Q. Do you anticipate any changes to the product line or availability?

A. No.

Q. Will OMAX lose focus on waterjet with this merger?

A. OMAX will remain focused on the things that have made it a leader in the abrasive waterjet market: aggressive technology and product development along with strong after-sale services, in keeping with its customer-focused mindset.

Q. What does this tell me about Hypertherm's commitment to plasma?

A. Hypertherm's commitment to plasma will remain as it has for the past 50 years. Its plasma business remains a core part of the long-term growth strategy. The company will continue to invest in plasma technology and intends to maintain its leadership position in the market. Because OMAX has strong stand-alone R&D and sales resources, Hypertherm does not expect this agreement to distract or dilute its focus on plasma market leadership.

Q. Who should I contact with questions specific to me?

A. Please contact your account manager or customer support as usual.