First draft of Deal Thesis by

1. What is the market you want to go after?

Semiconductor Advanced Packaging (3D, Bump. TSV) Lithography and Bonding Equipment. Operating correctly, Semiconductor AP Litho and Bonding companies can produce annual EBITDA in the range of 5-9%. Currently this market is served by conventional semiconductor equipment. The lack of specialized equipment for this market space has resulted in lost customer revenue due to either inappropriate equipment costs of poor production yield performance. Those who are in position to take advantage of the need for specifically designed equipment and processes will be in position to gain market share and reap the benefits of a market with a >13% CAGR.

- Any ideas on size and growth

Annual volume of $120– 200 Million

Tremendous growth opportunity, particularly in the 3D packaging and Thru Silicon Via (TSV) market spaces.

- Any sub markets that are attractive? Why?

3D Packaging, / TSV'sMobile devices (iphone, ipad, PDA's) require increased computing power in a decreased are. This is enabled by continued miniaturization of the microchip and the package that contains it. Packages that can contain multiple microchips of various functions can reduce overall footprint and aid tremendously in the miniaturization process. 3D packaging accomplishes this through the vertical stacking of chips. TSV's are one enabling technology to accomplish this type of stacking.

2. What is happening in that market that creates an opportunity for your business idea to grow and make good margins?

- demand shifts

  The use of 3D packages is increasing due to the tremendous increase in hand held device demand (can be quantified)

- pockets of value being denied

  Current use of 3D technologies is limited by both manufacturing cost vs. conventional packaging techniques, and availability of reliable equipment / processes to enable the technology

- new technology, products, services coming to market

  New TSV and 3D packaging processes are being developed that require both advanced temporary bonding equipment and advanced deep trench lithography capabilities.

3. What tactically will you do to make that happen?

Acquisition of one or more, small to medium size lithography tool manufacturers, preferable with a projection lithography capability, development and manufacturing design capabilities.

Integration of a world-class design and process technology team (team is available) to develop industry specific equipment and processes.
Implementation of a best practices outsourced manufacturing model (headed by industry veterans)
Development of a multiphase product / process introduction roadmap (validated by industry)
Implementation of an aggressive marketing campaign and development of product and process specific sales channels (again headed by industry veterans

4. Approximately what does the target environment look like?

- Numbers, sizes

There are 3-7 immediate targets in this category. Volume of targets range from $8 – 90 million.

- Any close relationships with targets?

Having been in the industry for over 25 years, and run three of operations in the US and Asia, I have very close relationship with a majority of the manufacturers of significance.

5. What are the characteristics of an ideal platform?

Good market share currently with opportunity to improve.

Existing lithography or bonding technology to build on

Current ownership interested in exiting – due to time with company, differing interests (father owned company), and not overall performance of company
Or
Current ownership interested in giving up control for an influx of capital to increase manufacturing capabilities and market share.

- What kinds of add on's will you do?

Implementation of process specific equipment design based on customer requirements

Implementation of world class manufacturing techniques to reduce equipment costs

World class marketing, sales and service capabilities to enable market share acquisition and customer dependence development

6. How is this a good fit for you the CEO?

I have successfully run a $100+ million dollar sales and service business in the target markets. I have excellent contacts and relationships with all major semiconductor manufacturers and semiconductor packaging foundries. I have been in semiconductor equipment manufacturing , sales and marketing for over 25 years, know it – love it.

I have a team of people with whom I have worked that are ready to take on a challenge as described above. This team is comprised of individuals both from the manufacture and user side of the equation which gives us unique insight into to ideal product / process development requirements