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Why ReNew Manufacturing Solutions is Bullish on Precision Machining and Fabrication Companies

RENEW
MANUFACTURING SOLUTIONS

About ReNEW Manufacturing Solutions

Manufacturer of custom metal parts. The acquisition of Stillwater expands the ReNEW network to four locations across the United States with over 225k ft² of manufacturing floorspace. This will allow ReNEW to expand its capabilities and get its customers the parts they need in the least amount of time, energy, and expense. ReNEW's goal with onboarding Stillwater is the same as it's been with its other machine shop acquisitions — support the existing production and refine its processes to maximize potential.



WHY RENEW MANUFACTURING SOLUTIONS IS BULLISH ON PRECISION MACHINING AND FABRICATION COMPANIES

As the U.S. industrial landscape evolves, few companies are as optimistic about the future of precision machining and fabrication as ReNew Manufacturing Solutions. Led by Cres Ferrell, who brings a background in [machining](#), manufacturing, and private equity, ReNew is thoughtfully building a strong, diversified platform in precision machining and fabrication. But what exactly makes this sector so attractive to them? We sat down with Cres to explore the trends, opportunities, and strategies driving their investment thesis.

A PASSION FOR INDUSTRIAL AMERICA — AND A HUGE MARKET OPPORTUNITY

ReNew's interest in precision machining is rooted in both personal passion and smart market analysis. Ferrell's early career in machining and manufacturing gave him a deep appreciation for industrial companies and their role in supporting American jobs. This personal connection, combined with broader market forces like the "silver tsunami" — the retirement-driven sale of millions of baby boomer-owned businesses — sparked ReNew's strategy.

With more than 18,000 machining companies across the country, most of them small and privately owned, the sector is highly fragmented. That creates an opportunity to acquire, professionalize, and grow these businesses into a scalable platform — all while helping sustain American manufacturing capabilities.



It supports American jobs and manufacturing. I'm passionate about keeping good jobs here and making things here.

WHY PRECISION MACHINING AND FABRICATION COMPANIES STAND OUT

For ReNew, not just any machining company will do. They focus on businesses with:

- **Recurring Revenue Streams:** Companies that produce repeat work for OEMs (original equipment manufacturers) are far more attractive than those that rely on one-off fabrication projects tied to construction or custom jobs. Long-term customer relationships and steady order flows reduce volatility and risk.
- **Strategic Industry Ties:** ReNew targets machining and fabrication companies serving industries like rail, energy, telecommunications, and automotive manufacturing — sectors less prone to sudden disruption. They especially appreciate companies tied to mission-critical infrastructure and manufacturing processes.
- **Diverse Customer Base:** Firms with exposure to multiple industries, rather than dependency on a single sector, are particularly appealing.

ReNew recently acquired [Stillwater Technologies](#), a FOCUS client with a strong mix of machining and fabrication capabilities, deep relationships with an automotive OEM, and diversified exposure to the telecommunications and oil & gas sectors—making it an ideal fit for both stability and growth.





WHY TIMING MATTERS: TAILWINDS IN U.S. MANUFACTURING

ReNew is also betting on broader economic trends. Despite some short-term uncertainty around tariffs and trade policies, Ferrell sees strong long-term momentum toward reshoring manufacturing to the United States — particularly in strategic sectors like semiconductors, automotive, defense, and infrastructure.

"Longer-term, this will create huge tailwinds for bringing manufacturing back to the U.S.," Ferrell said.

The resurgence of American manufacturing is expected to drive demand for precision machining and fabrication capacity, positioning ReNew and its platform companies for accelerated growth.

BUILDING A STRONG PLATFORM — WITHOUT DISRUPTING THE CULTURE

Post-acquisition, ReNew is intentional about preserving the culture and strengths of the businesses it acquires. Rather than imposing sweeping changes, they focus on:

- Communicating the value of joining a larger organization with greater resources and opportunities
- Enhancing employee benefits and engagement
- Streamlining back-office operations like accounting
- Maintaining existing management whenever possible



The company's already doing well — we want to make it a little better, not break what works.

Employee retention is key, especially in a labor-constrained environment, so ReNew invests in creating a positive workplace culture to ensure teams stay motivated and secure.

WHAT THEY LOOK FOR IN FUTURE ACQUISITIONS

Looking ahead, ReNew plans to continue growing its platform selectively. Ideal acquisition candidates would:

- Deepen relationships with existing strategic customers
- Expand into adjacent industries like semiconductor manufacturing, agriculture, or data centers
- Demonstrate strong margins and operational profitability

In particular, ReNew aims to balance growth with diversification — avoiding overreliance on any single sector while still building expertise within their core industries.

ADVICE FOR BUSINESS OWNERS CONSIDERING AN EXIT

Ferrell offered straightforward advice to owners of precision machining and fabrication businesses who are contemplating a sale:

1. **Hire a Specialized M&A Advisor:** Just like selling a home requires a good realtor, selling a business requires an experienced banker who knows the industry and the buyers.
2. **Make Yourself Irrelevant:** Owners should structure their companies so they are no longer critical to daily operations. Strong management teams and clear succession plans are major value drivers.
3. **Clean Up the Financials:** Ensure financial statements are accurate, organized, and easy to explain. Remove personal expenses from business operations, or at least clearly separate them to facilitate buyer diligence.
4. **Focus on Profitability and Growth:** These two factors drive the highest valuations. Buyers will pay a premium for businesses with steady EBITDA and strong future potential.

A BRIGHT FUTURE FOR AMERICAN PRECISION MACHINING AND FABRICATION

ReNew Manufacturing's bullish outlook on precision machining isn't just based on numbers — it reflects a deep belief in the importance of American manufacturing, a strategic approach to investing, and a commitment to building strong, sustainable businesses. As reshoring gains momentum and industrial sectors continue to grow, ReNew's platform is poised to capture the opportunities ahead — one carefully chosen acquisition at a time.

ABOUT FOCUS INVESTMENT BANKING

FOCUS is a trusted middle market bank with a rich history, deep resources and proven results. We embrace a client-first philosophy centered on personalized service, deep industry expertise, and delivering results-driven solutions. Our integrated operations with FOCUS Capital Partners empower us to skillfully navigate the complexities of cross-border transactions, offering clients strategic advantages in an ever-evolving global marketplace.



Jorge Maceyra
Managing Director, FOCUS
jorge.maceyra@focusbankers.com



Cres Ferrell
CEO, ReNEW Manufacturing
cres@renewmfgsol.com