

CACI, TechniGraphics Merger Proceeds Smoothly

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By STEVE HUSZAI

Staff Writer, The Daily Record (Wooster, Ohio)

WOOSTER -- The locally based geospatial services, TechniGraphics, has seen its share of growth over the years physically and financially. But on Nov. 1 the sale of the company officially closed, making it a part of CACI International, Inc., an Arlington, Va.-based company.

The purchase of TechniGraphics, announced on Oct. 18, initially shook a community still reeling and conjuring images of another Rubbermaid situation.

Mayor Bob Breneman admitted he was "a bit unnerved at first" upon hearing of the news of TechniGraphics' sale on that October day.

Dee Vaidya, president and CEO of TechniGraphics, explained he has been pleased with the sale itself and the transition, as the Wooster company slowly becomes a part of CACI.

"It has been great these last 30 days," Vaidya said, now the vice president and division manager of TechniGraphics, a CACI company. Vaidya commended TechniGraphics' employees for their excellence in the transition as well.

Vaidya explained that the transition has focused on the way CACI does business, from the human resources aspect of the company all the way to the security component of working with the highly sensitive data CACI uses each day.

Jake Jacoby, executive vice president of the National Solutions Group, a division of CACI, focuses on intelligence-related work. The United States government is a major client for both CACI and TechniGraphics.

"(CACI) is a well-established company and has a tremendous reputation for doing things the right way," Jacoby mentioned, as he introduced the multibillion-dollar company to the Wooster community.

CACI employs about 13,000 employees around the world. It specializes in IT service, specifically for the intelligence community and the Department of Defense. CACI earned \$3.15 billion in revenue in its fiscal year 2010 and is publicly traded on the New York Stock Exchange.

The move to acquire TechniGraphics (expected to earn \$46 million in its FY 2010), Jacoby said, was a way to shift the company more into digital imagery and mapping (the price of CACI's stock offerings has trended upwards since the announcement of the acquisition).

Jacoby mentioned the company focuses on organic growth, but also grows through mergers and acquisitions as in the case of TechniGraphics. Jacoby estimated the Wooster company was the 50th acquisition made in CACI's history.

"We were very attracted to TechniGraphics because of its tremendous work with geospatial technology," which Jacoby said fits perfectly into CACI's strategy for future growth, specifically into geospatial services.

Through the transition's first 30-plus days, Vaidya said he and Mary Vaidya's roles within the company have not changed much. Mary, Dee said, is still involved in the human resources aspect of the company. He noted the acquisition by CACI has been beneficial so far because it has put them "where we have never had a presence before."

"CACI has a presence in every agency we have wanted to do work, but have never been able to get in," Vaidya said, as he explained the goals of the sale.

"When we embarked on this process, at first we thought it had no benefit to us," Vaidya said of the potential transaction, which included looking at more than 60 companies expressing interest. "In hindsight, CACI was the one company whose culture stood out."

The acquisition of TechniGraphics, along with its purchase of Applied Systems Research Inc., a company based in Fairfax, Va., was worth approximately \$127.5 million, according to CACI's quarterly report filed with the Securities and Exchange Commission for the first quarter of fiscal year 2011.

And responding to questions of whether or not jobs could be shifted to, or moved from Wooster, Jacoby said it was too early to hypothesize.

"We recognized the size of TechniGraphics was exactly right and we have no intentions of making any changes at this time," Jacoby mentioned. But he added, "We view TechniGraphics as a centerpiece in the geospatial services," noting it was an attractive company because of how well it was positioned in the industry.

TechniGraphics employs around 450 people between all its locations in Wooster, Fort Collins, Colo., St. Louis, Mo., and Madrid, Spain. Approximately 250 of those jobs are located in Wooster.

Vaidya said he and Jacoby have discussed the possibility of building a third building. Both also noted CACI is currently looking to hire 200 employees to its ranks.

Vaidya added as the transition continues, the CACI name will become more and more visible in the Wooster community, especially after the first of the year.

"Our company is very community minded," Jacoby said. "We are very supportive of being a good citizen, which is what we said to the county commissioners and the mayor," during the Oct. 18 meeting with community officials announcing the sale.

Reporter Steve Huszai can be reached at 330-287-1645 or e-mail shuszai@the-daily-record.com.