Austin-based TechTurn acquired by Colorado electronics giant

By Lori Hawkins | Wednesday, January 18, 2012

http://www.statesman.com/blogs/content/shared-gen/blogs/austin/theticker/entries/2012/01/18/austinbased_techturn_acquired.html

In the second acquisition of an Austin company this week, TechTurn, which recycles electronic devices, has agreed to be bought by Arrow Electronics, a giant Colorado-based electronics distributor.

Financial terms of the transaction were not disclosed.

Founded in 1999, TechTurn reprocesses electronics that are returned or recycled from businesses and consumers.

Arrow sells electronics components and computer equipment to industrial and commercial customers worldwide. The company, which trades on the New York Stock Exchange, posted sales of $18.7 billion in 2010.

The deal follows the acquisition of Austin software maker Convio Inc., which on Tuesday said it has agreed to be acquired by South Carolina-based Blackbaud for $312 million.

TechTurn began as a computer leasing company, but it quickly shifted gears to recycling during the dot-com bust, when demand for leased PCs plunged.

The company's services include erasing data from old devices and refurbishing those that can be resold to corporate customers and international markets. Machines that can't be sold are broken down for their spare parts or raw materials, which also are resold.

Its customers include Fortune 500 companies, equipment manufacturers and large retailers. TechTurn has 135 employees and will post revenue of more than $50 million this year, officials said.

In 2006, private equity firm Catterton Partners invested $50 million into TechTurn for expansion outside of Texas.

Today, TechTurn operates facilities in Austin, where it has a 120,000-square-foot headquarters on Braker Lane, and in Richmond, Va. In November, it entered five other U.S. cities including Chicago and Los Angeles.

Arrow did not say what its plans are for TechTurn's Austin operations and employees.

"We are very excited to have the TechTurn team join the Arrow family," said Paul Reilly, chief financial officer of Arrow. "This acquisition will strengthen our existing portfolio of services and is a continuation of our global strategy to expand into faster growing services that span the full lifecycle of technology."

Shares of Arrow were trading at $39.86, up $2.01, or 5.31 percent on Wednesday morning.