High-Growth Value Stock: 1 Industrial Tech Company to Own Forever

Description

Neo Performance Materials (TSX:NEO) manufactures the building blocks of many modern technologies that enhance efficiency and sustainability. The company's advanced industrial materials includes magnetic powders and magnets, specialty chemicals, metals, and alloys. These materials are critical to the performance of many everyday products and emerging technologies. Neo's products help to deliver the technologies of the future to consumers.

Global business platform

Neo has a global platform that includes 10 manufacturing facilities located in China, the United States, Germany, Estonia, Canada, Thailand and South Korea, as well as two dedicated research centres in Singapore and the United Kingdom. Since 1994, Neo has leveraged the company's processing expertise to innovate and grow into a leading manufacturer of advanced industrial materials for specialty end markets. The company has established itself as a top three global market position in auto emission control catalysts and a leading global producer of light emitting diodes (LED's).

Optimal raw material sourcing

Neo's business is organized into three operating business segments as well as a corporate segment. Each segment is run on a standalone basis under the leadership of a business segment head. These segments are operated on a decentralized basis. The segments benefit from common ownership as a result of Neo's global platform, options for raw material sourcing, opportunities to share intellectual property and best practices, and the ability to cross-sell to certain customers.

Magnetic powder segment

The company's magnequench segment manufactures bonded powders and permanent magnets. With over 30 years of manufacturing experience, Magnequench is the world leader in the production of magnetic powders used in bonded and hot-deformed fully dense neo magnets. These powders are

formed through Magnequench's market-leading technology related to the development, processing and manufacturing of magnetic powders.

Magnequench uses a proprietary process to manufacture powders using a blend of various inputs. These powders are used in the production of bonded permanent magnets that are components in automotive motors, micro motors, traction motors, sensors and other applications requiring high levels of magnetic strength and improved performance.

Advanced materials manufacturing capabilities

The company's chemicals and oxides segment manufactures and distributes a broad range of advanced industrial materials that have become an indispensable part of modern life. Neo's world-class processing and advanced materials manufacturing capabilities enables it to meet increasingly demanding specifications from manufacturers that need custom engineered materials. Applications from these products include auto catalysts, consumer electronics, petroleum refining, hybrid and electric vehicles and municipal and industrial wastewater treatment.

High-value rare metals

Further, the company's rare metals segment sources, produces, reclaims, refines and markets high-value rare metals. These products include both high temperature metals and electronic metals. Applications from products made in this segment primarily include super alloys for jet engines, medical imaging, wireless technologies and LED lighting.

A bright future

Significant growth opportunities into end markets such as super alloys for aerospace applications exist for the company. Neo's unique technical expertise and strategic geographic presence has allowed it to become an industry leader in key markets with a proven, consistent product offering. Coupled with long-term collaborative customer relationships, this created significant barriers to entry.

CATEGORY

1. Investing

POST TAG

1. canada

TICKERS GLOBAL

1. TSX:NEO (Neo Performance Materials Inc.)

PARTNER-FEEDS

1. Business Insider
2. Koyfin

3. Msn
4. Newscred
5. Quote Media
6. Sharewise
7. Yahoo CA

Category

1. Investing

Tags

1. canada

Date
2025/08/25
Date Created
2021/05/26
Author
nikhilwaterloo