

[For Immediate Release]

OMNI Systems of Cleveland, Ohio Expands Capabilities and Footprint with Acquisition of ITW Labels

CLEVELAND, April 4, 2023 – OMNI Systems™ (omnisystem.com), one of America's premier thermal label printing companies, is set to complete its acquisition of ITW Labels, a company with a 110-year history and operations in St. Charles, Missouri, Gardner, Kansas, and Bogart, Georgia. This combination enables the delivery of a broad array of label printing needs for commercial customers, including many of the world's best-known brands.

"Unifying our companies' strengths creates powerful synergies. Together, we have an opportunity to generate amazing momentum," says Adam DeFrancesco, CEO and Founder of OMNI Systems. "ITW Labels is a legendary provider in our industry, and we are proud to welcome them into the OMNI Systems family."

ITW Labels (itwlabels.com) offers nationally recognized, high-quality converting operations, producing custom and stock labels for the Consumer Packaged Goods, Durable and Retail markets. The company serves over 4,000 customers worldwide and helps present well-known brands such as Husqvarna Group, General Mills Corporate (Parent), PepsiCo, Inc. (Corporate) and many others with vivid, brand-true colors and durable printing that stands up to heavy use.

OMNI Systems is purchasing ITW Labels from Illinois Tool Works (NYSE: ITW), a global industrial company with seven key business segments: Automotive OEM, Construction Products, Food Equipment, Polymers & Fluids, Test & Measurement and Electronics, Specialty Products and Welding.

OMNI Systems, founded in 1990, is headquartered in Cleveland. Prior to its acquisition of ITW Labels, OMNI Systems was already the largest privately owned label converter in the United States, serving as thermal media supplier to many of the world's largest brands, including Amazon.com, Tyson, and leading Fortune 500 companies. They produce thermal labels, top-coated direct thermal labels, thermal transfer labels, barcodes, custom labels and other label products for a broad array of industries. The company delivers industry leadership in quality and service and guarantees the lowest prices and longest fixed pricing on all labels.

"We are in a prime position, being privately held, debt-free and our own platform company," says DeFrancesco. "We are pursuing long-term legacy growth of \$300MM+ in 5-7 years as a full product line provider of intellectual property and resources. We can deliver exceptional quality and price in labels for industrial, medical packaging, membrane switches, front panel overlays, merchandise, prime, security and countless other needs."

The expansion quadruples OMNI Systems' geographical footprint and adds highly skilled employees and advanced equipment with new printing capabilities. "This move expands our capacity dramatically," said DeFrancesco. "We can now reach new industries and markets and achieve deeper penetration into existing markets."

"Keeping the two companies' plants in their locations and protecting the employees was key for us, because in this case, it makes the best business sense," says DeFrancesco. "OMNI Systems and ITW Labels had practically no customer overlap. The types of printing media and applications are completely different. Customers from both sides can benefit from a new, larger organization with more capacity and expertise than ever before."

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“This move aligns our companies — ITW Labels and OMNI Systems — for success for years to come,” says Dean Ketchum, Business Unit Manager of ITW Labels. “This is a great day for both of our companies — and it is a credit to years of strong performance by both sides to reach this point.”

OMNI Systems was represented in the transaction by Peter Schaefer of New Direction Partners, based in Valley Forge, Pennsylvania, and Melanie Yermack, Managing Director of the Packaging Investment Banking Group of Mesirow, based in Chicago, Illinois.

New Direction Partners is the leading investment banking firm specializing exclusively in the printing and packaging industry. Their role was to assist in the development and implementation of OMNI Systems’ growth by acquisition program by identifying potential candidates, providing valuation services and negotiating the transaction. “The strategic benefits are profound: OMNI Systems is already a leading provider of secondary labels. Adding ITW Labels immediately establishes them at the forefront of the primary labels segment, too,” says Schaefer. “The companies share similar cultures, which only adds to their strength. OMNI Systems is a perennial award winner for its people-first culture, leadership and career opportunities, and ITW Labels has earned a similar reputation for treating its employees well, recognizing their role in serving customers and driving success.”

Packaging Investment Banking Group of Mesirow has served the strategic and financial advisory needs of paper, plastics, packaging and related companies for more than 20 years. “We were proud to represent OMNI Systems on its acquisition of ITW Labels,” says Yermack. “This transaction illustrates Mesirow’s focus on leveraging longstanding relationships and deep sector expertise to support our clients’ M&A objectives. We look forward to following OMNI Systems’ continued growth and success.”

OMNI Systems + ITW Labels: Combined Strengths and Capabilities	
Facilities <ul style="list-style-type: none">• Cleveland, Ohio: OMNI Systems Thermal media label printing facility 144,000 sq.ft. 145 employees• St. Charles, Missouri: ITW Labels Thermal media printing facility 20,000 sq.ft. with plans to extend to 54,000 in Q3 45 employees• Gardner, Kansas: ITW Labels Thermal media printing facility 44,000 sq.ft. 31 employees• Bogart, Georgia: ITW Labels Thermal media and screen printing facility 35,000 sq.ft. 56 employees	Markets and Industries Served <ul style="list-style-type: none">• Grocery• Pharmaceutical• Retail• Shipping & Distribution• Charity & Promotional• Prime & Merchandise• E-Commerce• Security/Tamper-Resistant Labels• Durable Labels

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About OMNI Systems

As the largest privately owned thermal media company in the U.S., OMNI Systems™ (omnisystem.com) leads the industry in all the ways that count: Price, Quality and Service.

- **Price:** OMNI offers the industry's lowest prices on thermal label, and the longest fixed pricing. In many cases, customers save 15-40% on their label spend.
- **Quality:** Independent customer audits have proven OMNI's thermal label quality to be 99.9% defect-free. OMNI Systems also received a Superior Rating from AIB International, which tests all aspects of a label converter's quality control systems and processes, from raw materials and storage to equipment testing and finished product viability.
- **Service:** OMNI provides customized solutions and service by devoting time up-front to understanding customers' businesses and needs.

Inc. Magazine has recognized OMNI Systems multiple times as one of the fastest-growing private companies in the U.S. The company maintains a prestigious 12 AA credit rating from Dun & Bradstreet as a financially sound company and is a multiple time winner of the *Plain Dealer* Top Workplaces. OMNI Systems also received the 2023 Evolution of Manufacturing Award and Top Label Solutions Provider Award.

About ITW Labels

ITW Labels (itwlabels.com) offers nationally recognized, high-quality converting operations, producing custom and stock labels for the Consumer Packaged Goods, Durable and Retail markets. With facilities in St. Charles, Mo., Gardner, Kan., and Bogart, Ga. Their capabilities include blank to eight-color labels, including four-color process, UV, varnishes, laminates, and two-sided printing, printing labels and tags on a wide variety of paper and film materials. The company serves over 4,000 customers worldwide and helps present well-known brands such as Husqvarna Group, General Mills Corporate (Parent), PepsiCo, Inc. (Corporate) and many others with vivid, brand-true colors and durable printing that stands up to heavy use.

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