



## **Nortech Systems Acquires Assets of Zachariah & Lundbergh, Inc.**

Release: 7/14/2004

Contact:

**Bud Brown**

Intercon 1/Nortech Systems

(218) 828-3157

or

**Warren Djerf**

Brookside Communications Group

(952) 920-3908 or warren@brookcomm.net

### **Nortech Systems Acquires Assets of Zachariah & Lundbergh, Inc.; Purchase Complements, Expands Intercon 1 Product Line and Sales Channels**

**MINNEAPOLIS** – To diversify the product offering and customer base for its Intercon 1 division, Nortech Systems NSYS has acquired the assets of Zachariah and Lundbergh, Inc. (Z&L), Marco Island, Fla., a manufacturer of camera power supplies and cable assemblies used in machine vision systems for the industrial, medical/scientific and security markets. Terms of the acquisition were not disclosed.

"This addition significantly enhances our catalog and opens up new markets for our established products," says Bud Brown, General Manager of Nortech Systems' Intercon 1 division, with sales offices in Baxter, Minn., and manufacturing in Augusta, Wis. "They were a major supplier to the machine vision industry, which is our primary customer base, and they had strong penetration in several key markets."

Intercon 1 serves the machine vision market in the U.S. and more than 40 countries with cable assemblies, specialized ultra high-flex bulk cable and a select number of camera power supplies that now will be expanded to include regulated, switching, desktop and wall-mount units. Brown says the Z&L power supply line will be increased to serve almost all the countries where Intercon 1 already does business.

"Nortech and Intercon 1 will continue to provide current Z&L customers with excellent service and competitive pricing," comments Brown. "We also plan to introduce them to our full line of Intercon 1 products." Brown adds that one of the key customers acquired is the world's largest catalog distributor in the industrial and scientific fields.

Intercon 1 has taken a leadership role in the machine vision industry. For example, Intercon 1 is one of only two suppliers in the world recognized by the official Camera Link Committee as an approved supplier of Camera Link(TM) cable assemblies. Camera Link is a rapidly growing interface protocol for extremely high-speed digital video cameras used in industrial, medical, scientific and security applications.

"This acquisition fits our growth strategy and provides valuable expansion and diversification opportunities for our Intercon 1 product line," says Mike Degen, President & Chief Executive Officer of Nortech Systems. "We expect the purchase of Z&L assets to grow our customer base, broaden our product offerings and contribute positively to our financial performance starting in the third quarter with full implementation by year-end."

#### **About Nortech Systems**

Nortech Systems, Inc. ([www.nortechsys.com](http://www.nortechsys.com)), based in Wayzata, Minn., is a full-service electronics manufacturing services (EMS) provider of wire and cable assemblies, printed circuit board assemblies, higher-level assemblies and box builds for a wide range of industries. Markets served include medical, automotive, defense, computer, peripheral, commercial, telecom, government and consumer. In Minnesota, Nortech Systems has additional facilities in Baxter, Bemidji, Fairmont and Merrifield. The company also has facilities in Augusta, Wis., and Monterrey, Mexico. Nortech Systems is traded on the Nasdaq Stock Market under the symbol NSYS.

This press release contains forward-looking statements made pursuant to the safe harbor provision of the Private Securities Litigation Reform Act of 1995. While this release is based on management's best judgment and current expectations, actual results may differ based on many factors, including the company's competitive performance and changes in market conditions.