

R.I. textile staple Concordia shifts focus to biomedical products, lands new investors

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Concordia Manufacturing LLC of Coventry, R.I., has completed a financial restructuring and is expanding a strategic initiative in the field of biomedical products. As part of the restructuring, the Slater Center for Biomedical Technology has become an equity investor in Concordia.

The restructuring involved an aggregate of \$1.5 million in new funding commitments. Participants in the financing include: Sovereign Bank, which provided \$750,000 in working capital and term loan financing; the Rhode Island Economic Development Corp., which provided \$250,000 in subordinated debt; and a combination of existing and new investors, who provided \$450,000 in equity investment. The Slater Center is one of those new investors.

"Our new financial partners — Sovereign Bank, the EDC and Slater — have been tremendously supportive, both of our efforts to stabilize our base business with existing customers as well as our initiative to become a leader in the development of innovative solutions to customers developing biomedical products," said Randy Spencer, president and chief executive of Concordia, in a statement. "Their support validates the strategy we have been developing and implementing."

Founded in 1920, Concordia has been an innovator in the design and manufacture of synthetic yarns and fibers for a wide range of commercial products. Through the late 1990s, the company had experienced significant growth in its base business in engineered textile products.

According to Concordia, the economic downturn of the past several years, together with a more general trend among textile manufacturers to outsource production in Southeast Asia, has taken a toll on its traditional customer base. In response, Concordia has been focusing its applications and business development activities on high value-added collaborations with developers of biomedical products.