



Founder-owned company with a laser focus on leveraging core strengths, results in a strategic buyer acquisition

WHO is Xirgo?

Xirgo Technologies, LLC (“Xirgo”) is a provider of wireless telematics modules for tracking, monitoring, protecting, and controlling remote assets and workers, supporting the IoT (“Internet of Things”) growth sector.

Headquarters:	Camarillo, CA
Sector:	Business Services
Sub-sector:	IoT / Telematics
Acquisition Year:	2016
Exit Year:	2021

WHY were we interested?

HKW was attracted to Xirgo’s position within the fast-growing telematics sector and the significant pipeline of opportunities, including some of the most recognizable corporations in the insurance and transportation industries. The opportunity checked all of HKW’s investment characteristics:

- ✓ Management / Ownership: Strong leadership team willing to reinvest back into the company.
- ✓ Favored Sector: Alignment within HKW’s Business Services and IoT sector focus.
- ✓ HKW Ops Capability: HKW has deep experience collaborating with founders to develop foundational processes to drive future growth. HKW provided resources and guidance to support Xirgo’s leadership throughout the hold period.
- ✓ Cycle Fit: Xirgo’s product offering was within a recession-resistant niche industry, which made it an attractive platform investment.

Xirgo was represented during the sale process by Near Earth, LLC, a boutique bank that provides specialized expertise in the Aerospace, Satellite, and M2M Telematics industries. Near Earth also partnered with Xirgo for the Baltic Car Equipment (“BCE”) add-on acquisition. Website: nearearthllc.com

WHAT did we do?

During the investment period, HKW supported Xirgo through three primary initiatives:

1. **TRANSFORMED BUSINESS** – Xirgo transitioned from a high-volume custom telematics manufacturer into a client-centric solutions provider. This shift was accomplished through hiring and investing in software engineers to build middleware and customized application software that enhanced customer relationships, negotiated favorable data plans with national carriers and changed the revenue model to focus on visible revenue streams.



“ HKW was able to assist us in getting Xirgo to the next level. We appreciate their support in helping us elevate the business to where it is today.”

Shawn Aleman, CEO, Xirgo Technologies, LLC

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Marketing content, website, and sales collateral were enhanced to align with this new messaging.

2. **GEOGRAPHIC + PRODUCT LINE EXPANSION** - Xirgo completed two add-on acquisitions; expanding the geographic reach and product line:
 - Baltic Car Equipment (BCE) was acquired in 2019. BCE is based in Lithuania and provides various fleet management solutions, including hardware and software for vehicles, trucks, machinery, and agricultural equipment. BCE expanded Xirgo's geographic reach, improving access to Europe, the Middle East, and Africa.
 - Owlcam was acquired in 2020. Expanding Xirgo's product line, Owlcam's artificial intelligence technology delivers driver monitoring, actuarial modeling, and actionable insights with a subscription-based in-cab camera business.
3. **INVESTMENT IN HUMAN CAPITAL** - Xirgo promoted Shawn Aleman, founder, and Head of Sales, to the CEO role and expanded the senior management team by adding a CTO, VP of Sales, and VP of Business Development. The company also expanded its software engineering talent to transition the business model to middleware and software applications.

TAKEAWAY:

HKW and Xirgo focused on three primary initiatives during HKW's hold period. Due to the operational upgrades and support provided by HKW, Xirgo became an attractive target for a preemptive strategic buyer.

In late 2020, Sensata Technologies, a leading industrial technology company that develops sensors, sensor-based solutions, and other mission-critical products, contacted Xirgo. Sensata was interested in Xirgo to advance their Smart & Connected growth sector for transportation and logistics end-markets. After a smooth due diligence process, HKW announced the sale of Xirgo on April 6, 2021.

Case studies are for illustrative purposes only and have been selected to provide examples of the types of investments made by HKW and do not purport to be a complete list thereof. It should not be assumed that investments made in the future will be comparable in quality or performance to the investments described herein.