



**DDI PDC BIT FOR DRILLING, DESIGN AND PATENT  
NOW AVAILABLE!**

**Listing ID #: 8240  
Listing Agent: Marcia Bowron**

**General Information**

Year Established: 2006  
Year Acquired: 2006  
General Location: North Texas  
Employees: FT: 0 PT: 0 Contract: 0 Owners: 0  
Operating Hours: N/A

Reason for Sale: Seller wants to remain small business with a few employees. Volcano Product Line has tremendous growth potential with bigger company.

**Business Summary:** In 2006 the owner of Diamond Drilling Industries (DDI) developed an affordable PDC Bit that revolutionized and modernized the drilling industry. He introduced the first Matrix Body PDC Bit to the Water Well, Mining and Geothermal Drilling Industry that improved the rotary drilling process with affordable prices saving time and money for everyone. This product is recognized in 17 countries around the world. DDI is selling the intellectual property around the design, drawings, trademarks and patent of the Volcano Hole Opener PDC Drill Bits. What typically takes a client 3 hours to drill 30 feet, now takes him 30 minutes with the Volcano Drill Bit. Through this design DDI is able to offer great quality in the Volcano Drill Bit compared to major manufacturers of PDC Drill Bits (Schlumberger, Halliburton, Weatherford, Baker Hughes, and National Oilwell Varco) but at much more affordable pricing. Primarily, it is the bit's cutting action and superior rate of penetration that makes this tool so attractive. The Volcano line of steel body PDC bits offers performance and efficiency in a wide range of formations from soft to medium to hard. The global drilling tools market was valued at USD 5.79 Billion in 2016 and is expected to grow at a CAGR of 4.75% to reach USD 8.61 Billion by 2022. Current customers are primarily in the US market in Horizontal Directional Drilling, Construction, Water Well, Geothermal and Mining industries. Sales over the last 3 years have averaged \$1.057mil/year with an average profit margin of 50% and this was with only 1 salesperson and one office in Fort Worth, TX. Majority of sales has been in TX, OK, CO, OH, PA, KS, IL in USA. Internationally DDI Volcano has been sold in Canada, Switzerland and Germany.

**Assets Included** All assets of the business except exclusions. See list of equipment in file.

**Assets Excluded** Cash, Accounts Receivable, Deposits and Personal Items.

**Assets Leased** None

**Growth Potential** Repair and maintenance of the product is an area of growth potential for a new owner to do on their own or contract current owner to do the servicing for the potential buyer. Owner is selling the design, drawings and patent of the Volcano Drilling Bit along with the 2 trademarks for the DDI brand. Rental Program for PDC Hole Opener is one more very lucrative direction that has not been implemented by the current owner but would be a great option to consider.

**Financial Summary**

Business Price:	\$3,000,000	Gross Revenue:	\$1,056,934 (3 Yr. Avg.)
Real Estate Price:	\$0	Discretionary Earnings:	\$528,500 (3 Yr. Avg.)
Net Liquid Assets:	\$0	FF&E:	\$0
<b>Total Investment:</b>	<b>\$3,000,000</b>	Inventory at Cost:	\$0
Down Payment:	\$3,000,000	Auto & Truck:	\$0

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