

## **FOR IMMEDIATE RELEASE**

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## **HARDRIVES INC. ACQUIRES TOWER ASPHALT INC.**

Rogers, MN (May 18, 2010) — Hardrives, Inc. announces the company has acquired Tower Asphalt, Inc. in Lakeland, Minnesota. Since 1963, Hardrives has provided contracting expertise for everything from paving repair to highway construction projects for customers in Minnesota, North Dakota and South Dakota. Similarly, Tower Asphalt is a paving contractor specializing in roads, highways, airports and commercial construction in Minnesota and Wisconsin. Tower Asphalt has been in business for 40 years.

### **Acquisition**

Up until now, Hardrives and Tower Asphalt had been competitors bidding on the same highway projects for Mn/Dot as well as projects for counties and cities in the East Metro. The acquisition was several years in the making as both companies saw the benefit of aligning resources. “We have the same set of core values and ethics,” says Steve Hall, Hardrives CEO and President.

### **Growth**

As a result of the acquisition, revenues at Hardrives will increase significantly over the next few years. The company will also take advantage of projects from the East Metro, the area where Tower Asphalt obtained a majority of its business. Additionally, the increased volume of work will allow Hardrives to purchase raw materials more cost effectively.

### **Employees and Resources**

Since the acquisition on April 23, 2010 Hardrives’ employee count has increased from 230 to 315. Tower Asphalt’s Principal Owners Tom and Dick Springer in Operations and President Mike Leuer are now employed by Hardrives in operations and management positions. Tower Asphalt’s plant and equipment maintenance facility will continue operation in Lakeland. It will also assume project management and sales functions. Overall management and administrative duties are gradually being shifted to Hardrives, Inc. home office in Rogers, MN.

In addition to acquiring Tower Asphalt, Hardrives also purchased Terra Services, a erosion control and landscape service company.

### **About Hardrives Inc.**

Ken Hall founded Hardrives and began operations in St. Cloud, MN in 1963 with asphalt paving as its primary business. In 1968, Hardrives opened an office in Minneapolis and formed its Outstate Division to focus on jobs in Greater Minnesota and the Dakotas. In 1995 when Ken retired, the Hall family took over Hardrives Inc. carrying on the family legacy of the company. Hardrives makes significant investments every year in training, safety, and quality improvement programs to meet and exceed the constantly changing requirements and government regulations of the industry. Hardrives has four operating divisions and offices in Minneapolis and St. Cloud.

### **About Tower Asphalt, Inc.**

Tower Asphalt, Inc. is an asphalt paving contractor operating a state certified hot mix asphalt plant located on the Minnesota-Wisconsin border, fifteen miles east of downtown St. Paul, MN. The company is experienced in the construction of roads, highways, airports and commercial construction with projects ranging in cost from \$5,000 to \$6,000,000. Tower Asphalt, operates in Minnesota and Wisconsin. The company is committed to quality in its product and the health and safety of its employees.