



Industrial Technology and Engineered Products

Industry Insights – Q4 2025

[Learn More](#)



Executive Summary

Overview

- Businesses around the world are facing a critical inflection point, as industrial technologies, such as artificial intelligence (“AI”), automation and advanced computing are rapidly reshaping core operations. Early adopters of these technologies have already begun to unlock new efficiencies and competitive advantages, whereas companies who hesitate risk falling behind in a landscape where adaptability is essential
- The surge in energy demand from AI and automation is exposing critical vulnerabilities in the aging electrical grid. Without near-term investment in modernization and emerging solutions, such as advanced distribution management systems (“ADMS”), this momentum could be severely hindered. Infrastructure readiness has become essential to fully harness the power of these intelligent systems
- Despite stable real GDP growth over the past two years, industrial production in the U.S. has remained stagnant, with the U.S. Industrial Production Manufacturing Index and ISM Manufacturing PMI hovering around 100 and 50, their respective baseline values, as tighter interest rates, tariffs and supply chain challenges persist

80%

Over 80% of executives see smart manufacturing as pivotal to future business growth

\$500B

SoftBank has pledged over \$500 billion to enhance industrial AI infrastructure

80,000

A single data center can consume as much power as approximately 80,000 homes

0.9%

U.S. manufacturing output has risen just 0.9% in 2025, well below the historical average of ~2.4% growth

WSJ

SoftBank has agreed to acquire ABB’s Industrial Robotics Business for \$5.4 billion, aiming to merge the company’s AI capabilities with robots.

[Read More](#)

Forbes

As industrial automation reaches a pivotal crossroads, global manufacturers must navigate disruptive supply chains, shifting market demands and rapid technological advancements.

[Read More](#)

**FACTOR
THIS**

While vast, the U.S. high-voltage grid is at an inflection point, as much of this infrastructure has been strained by new power flows and other technologies.

[Read More](#)

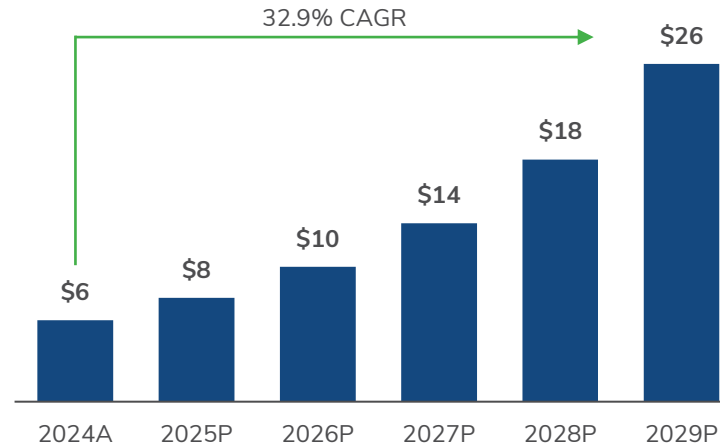
Economic Corner – Rise of Industrial Digitization and Automation

Investment and integration of intelligent technologies is redefining industrial competitiveness

- Businesses around the world are rapidly adopting technologies such as AI, robotics and advanced computing to transform manufacturing, supply chain and logistics, with over 70% of global organizations having integrated AI in at least one business function
- In October 2025, SoftBank, which has already committed to more than \$500 bn in AI infrastructure investment, announced the \$5.4 bn acquisition of ABB's Robotics Business
 - ABB's Robotics Business provides a wide variety of industrial robots and software that supports efficient and connected manufacturing environments across various industries
- This trend, aimed at driving productivity gains, reshaping labor markets and redefining competitive advantages across industries, is a major force behind strategic capital reallocation and shifts in global business operations

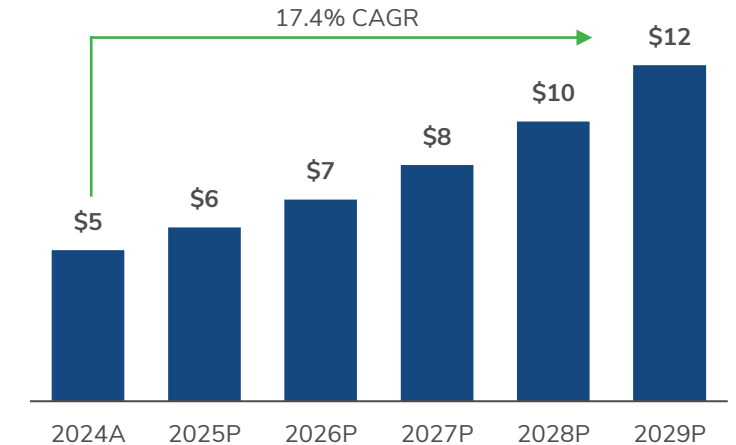
Global AI Industrial Machinery Market – ('24-'29)

\$ in billions



Global Industrial AI Software Market – ('24-'29)

\$ in billions



Marquee Transaction – SoftBank Group Acquires ABB's Robotics Business (October 2025)



“SoftBank’s next frontier is Physical AI. Together with ABB Robotics, we will unite world-class technology and talent under our shared vision to fuse Artificial Super Intelligence and robotics — driving a groundbreaking evolution that will propel humanity forward.”

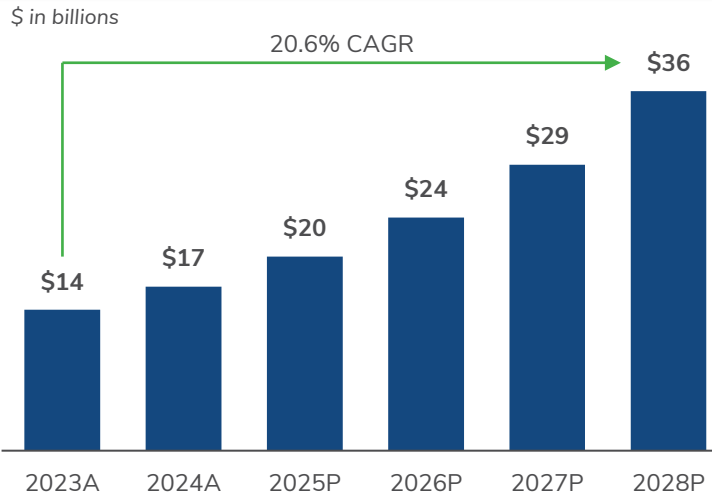
- Masayoshi Son, Chairman & CEO, SoftBank Group

Economic Corner – Strategic Investment in Technological Infrastructure

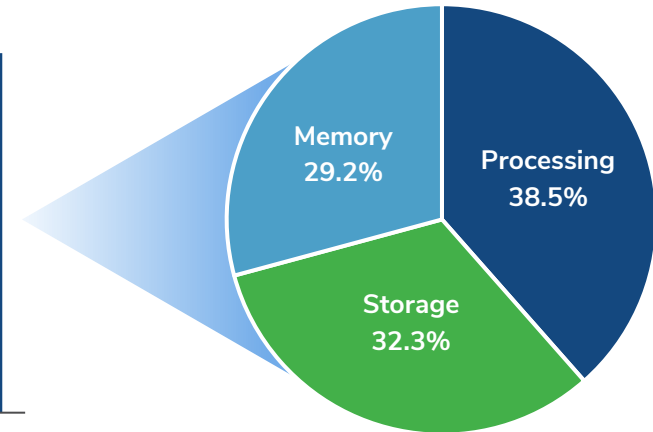
Industrial competitiveness is becoming dependent on aligning transformation with strategic infrastructure investment

- Industrial companies and manufacturers are increasingly recognizing that technological transformation is essential to maintaining competitiveness in today's global economy
- Crucially, these advancements depend on robust technological infrastructure, an area receiving heavy federal attention because of the 2021 bipartisan Infrastructure Investment and Jobs Act (IIJA), which will deploy around \$1.2 trillion in funding through 2026
- This, along with high levels of foreign direct investment (FDI) in the U.S., present industrial firms with a rare opportunity to align private modernization efforts alongside public infrastructure upgrades, facilitating significant technological innovations and enhancements

Global AI Infrastructure Market – ('23-'28)



Global AI Infrastructure Market by Segment

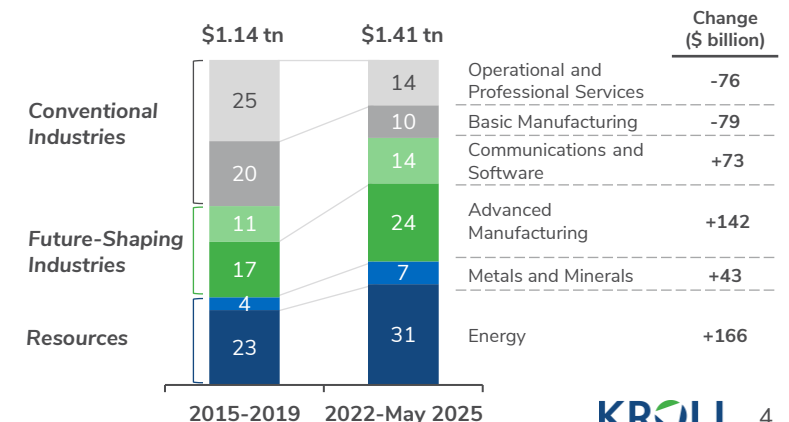


2021 Bipartisan IIJA – Year-by-Year Breakdown

Year	Strategy	Commentary
2021	Initial Rollout	Signed into law in November; early planning and setup phase
2022	Formula & Direct Spending	Early awards under transportation and water programs
2023	Competitive Grants	Competitive grants increased to \$40 bn awarded, including \$18 bn in new grants
2024	Project Increase	FY2024 formula allocations increased total funding awarded
2025 - 2026	Continued Implementation	Majority of competitive funding (80%) is still yet to be awarded

FDI is Boosting Advanced Industries

Avg. Greenfield FDI Announcements by Industry (% of total)



Note: CAGR = compound annual growth rate

Sources: Janney, Assembly Magazine, Brookings Institute, U.S. Department of Energy, Biden Administration Archive, Technavio, U.S. Department of Commerce, McKinsey & Company

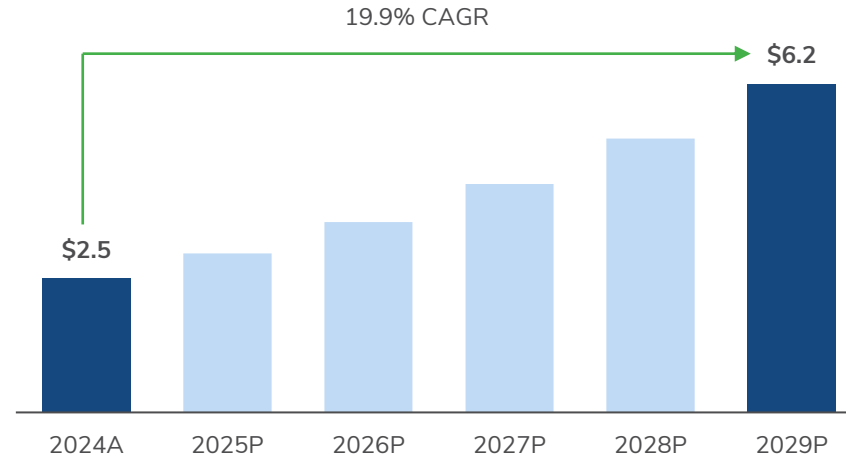
Economic Corner – Grid Modernization and ADMS Implementation

To meet rising demand, companies must continue to focus on further enhancing grid efficiency through new energy infrastructure spending

- The U.S. is currently experiencing a surge in demand for electricity, due to factors such as unprecedented levels of electrification, AI-driven data center expansion and a resurgence of industrial onshoring
- Growth in the ADMS industry is accelerating rapidly due to factors such as the evolution of the smart grid and the rising adoption of renewable energy sources
- The flexibility that ADMS systems provide, along with the increased need for grid modernization, will continue to fuel adoption in the coming years
- North America is expected to continue to lead the way in terms of ADMS adoption due to firms' emphasis on cloud-based technologies and the need for grid modernization

Global ADMS Implementation Outlook and Market Size (2024-2029)

\$ in billions



“The utilities that have implemented ADMS viewed it as a business strategy. It is a decision about how the utility will operate in the future and the functionality that will be needed to meet customer expectations—now and into the future.”

- U.S. Department of Energy

U.S. Grid Modernization Is Struggling to Keep Pace



Rising Demand

AI data centers may **triple their power consumption** by 2028, and peak demand is expected to grow by an average of 85 GW over the next decade



Aging Infrastructure

The U.S. electrical grid includes over **600,000 miles** of aging transmission lines, with increasing outages and fire risks delaying upgrades



Slowed Renewable Integration

Solar and wind intermittency, along with interconnection delays, are **straining the stability of the renewable energy grid** and slowing clean energy deployment

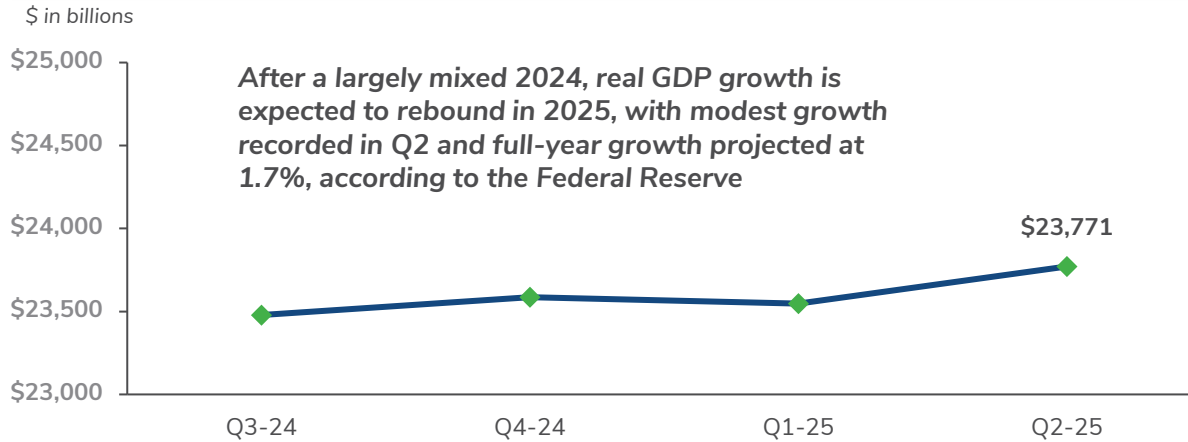


Reliability Risks

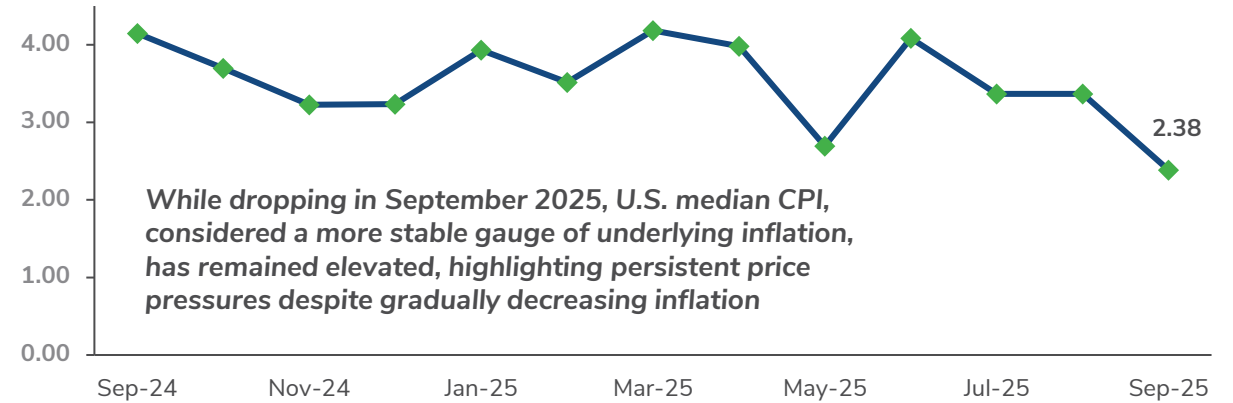
The U.S. Department of Energy warns blackouts could surge a **hundredfold** by 2030 if retiring baseload power is not offset by new firm capacity

Economic Corner – Macroeconomic Indicators

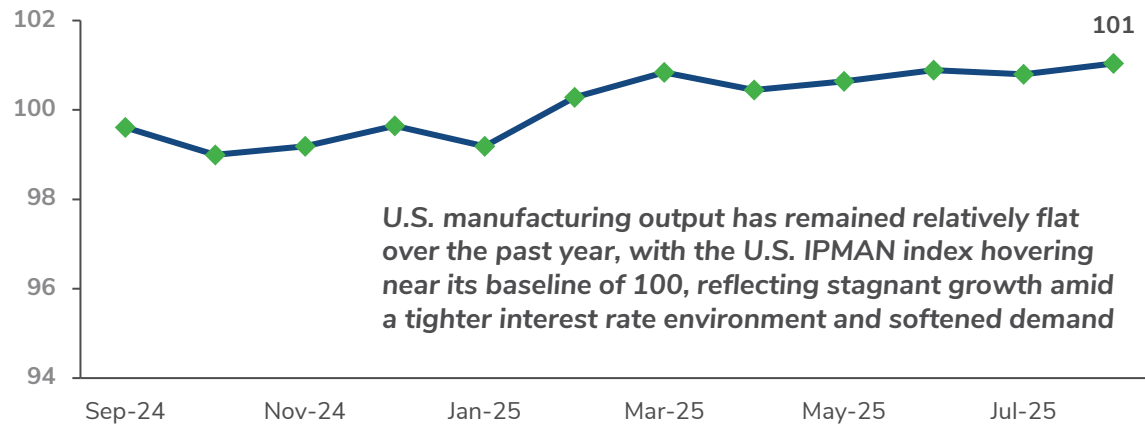
U.S. Real GDP



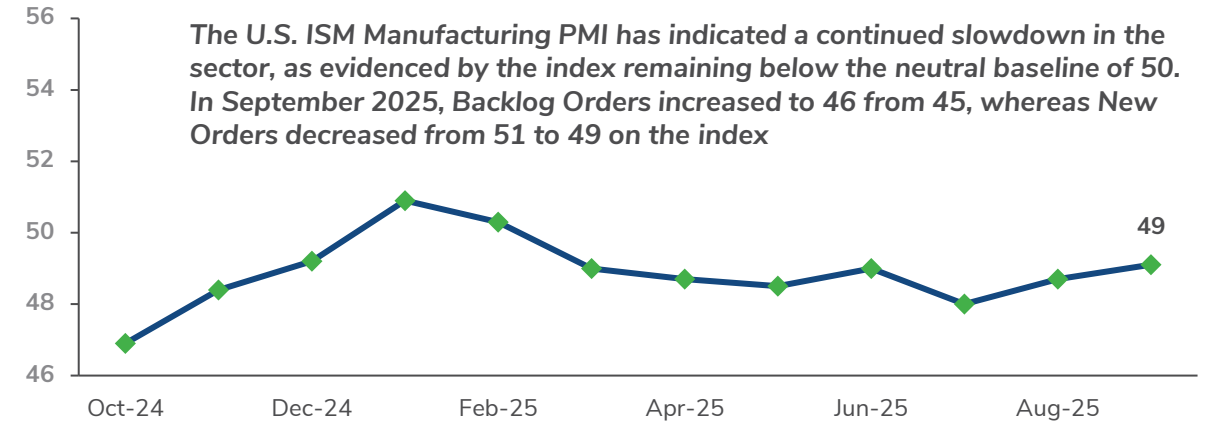
U.S. Median Consumer Price Index (CPI)



U.S. Industrial Production – Manufacturing Index (IPMAN)



U.S. ISM Manufacturing PMI



Upcoming Industrial Technology Events and Conferences

There are many exciting events and conferences in the Industrial Technology & Engineered Products sectors as we enter 2026. If you are planning to attend any of the following conferences, please to reach out to our team to schedule a meeting



April 13-16, 2026



Atlanta, GA

MODEX is one of North America's largest trade shows, dedicated to multifaceted supply chain solutions. The trade show showcases the latest innovations and technologies in the industry



June 9-12, 2026



Detroit, MI

ITS America Conference & Expo brings together public and private sector transportation agencies to learn about the implementation of new intelligent traffic system technologies and solutions



June 22-25, 2026



Chicago, IL

Automate is one of North America's largest robotics and automation conferences, showcasing the world's leading automation solutions, AI, vision systems and more



October 18-21, 2026



Chicago, IL

PACK EXPO is the most comprehensive packaging and processing trade show in North America, where solutions providers and end users connect to explore packaging and processing innovation



Relevant Kroll Experience

Select Experience in the Industrial Technology Sector

Selected Case Studies

SELL-SIDE ADVISOR



has received a significant growth investment from



Sojo Industries is a mobile manufacturing and technology company that provides innovative packaging and supply chain solutions directly at customer sites and through a nationwide network of facilities, primarily serving the food and beverage industry. The company received a significant growth investment from S2G Investments, an affiliate of the Walton family.

SELL-SIDE ADVISOR



a portfolio company of



has been acquired by



T-TEK Material Handling is a premier manufacturer and service provider of custom-built automated end-of-line packaging equipment, including palletizers, depalletizers, robotic systems, conveyors and complete lines. The company's automation solutions are designed to enhance operations for high-volume and high-speed operations.

SELL-SIDE ADVISOR



has been acquired by



CSi Palletising is a provider of end-of-line and multi-line palletizers, case transport and pallet handling systems, as well as integration services, specialist in-house software and a full-suite of aftermarket services. The company supports a diverse range of industries, helping customers enhance their material handling operations through world-class palletizing solutions.

Additional Industrial Technology & Engineered Products Experience

SELL-SIDE ADVISOR



has been acquired by



SELL-SIDE ADVISOR



has been acquired by



a division of



SELL-SIDE ADVISOR



has been acquired by



a portfolio company of



SELL-SIDE ADVISOR



has been acquired by



SELL-SIDE ADVISOR



has been acquired by



SELL-SIDE ADVISOR



has been acquired by





For more information, please contact:



Steve Burt

Global Head of M&A Advisory
Chicago
+1 312-697-4620
steve.burt@kroll.com



David Althoff

Global Head of Diversified Industrials M&A
Chicago
+1 312-697-4625
david.althoff@kroll.com



Jeffrey McNamara

Managing Director, Diversified Industrials M&A
Chicago
+1 312-697-4638
jeffrey.mcnamara@kroll.com



Dr. Howard E. Johnson

Managing Director, Canadian M&A Advisory
Toronto
+1 416-597-4500
howard.johnson@kroll.com



Andreas Stoecklin

Head of Corporate Finance, EMEA
Frankfurt
+49 69 719184 0
andreas.stoecklin@kroll.com



Dafydd Evans

Managing Director, United Kingdom M&A Advisory
London
+44 20 7089 4840
dafydd.evans@kroll.com

About Kroll

As the leading independent provider of risk and financial advisory solutions, Kroll leverages our unique insights, data and technology to help clients stay ahead of complex demands. Kroll's team of more than 6,500 professionals worldwide continues the firm's nearly 100-year history of trusted expertise spanning risk, governance, transactions and valuation. Our advanced solutions and intelligence provide clients the foresight they need to create an enduring competitive advantage. At Kroll, our values define who we are and how we partner with clients and communities. Learn more at [Kroll.com](https://www.kroll.com).

M&A advisory, capital raising and secondary market advisory services in the U.S. are provided by Kroll Securities, LLC (member FINRA/SIPC). M&A advisory, capital raising and secondary market advisory services in the United Kingdom are provided by Kroll Securities Ltd., which is authorized and regulated by the Financial Conduct Authority (FCA). Valuation Advisory Services in India are provided by Kroll Advisory Private Limited (formerly Duff & Phelps India Private Limited) under a category 1 merchant banker license issued by the Securities and Exchange Board of India.

The material in this report is for information purposes only and is not intended to be relied upon as financial, accounting, tax, legal or other professional advice. This report does not constitute, and should not be construed as, soliciting or offering any investment or other transaction, identifying securities for you to purchase or offer to purchase, or recommending the acquisition or disposition of any investment. Kroll does not guarantee the accuracy or reliability of any data provided from third-party resources. Although we endeavor to provide accurate information from third-party sources, there can be no guarantee that such information is accurate as of the date it is received or that it will continue to be accurate in the future.