



## **I. Company Description**

Hot Switch Heating Systems: Rooted in the mission "we keep trains moving", Hot Switch Heating Systems is dedicated to revolutionizing the rail switch heating sector. Founded in 2015 by two visionaries in Jacksonville, FL, the company is a pioneer in using induction heating to keep tracks clear of snow and ice. After merging with Fiberglass Specialties in 2023, the combined strengths of both brands now serve as a one-stop solution for railroad switch heating.

## **II. Project Description**

The primary aim is to scale up the production of the Hot Switch Heating System, marrying it with the fiberglass switch cover system from Fiberglass Specialties. This project seeks to relocate and centralize production in Minot.

## **III. Markets to be Served**

Hot Switch Heating Systems has already made its mark with associations such as Norfolk Southern, Alaska Rail, and TranStar Rail. Looking forward, the company is setting sights on securing significant projects in major hubs like New York City and Washington, DC. The goal is to make Hot Switch the gold standard for rail switch heating across North America, targeting the over seventy thousand switches of both major railroads and city metro systems.

## **IV. Job Creation**

In the immediate horizon, Hot Switch aims to hire two full-time employees for production and system build outs. As the production scales and revenue targets are achieved, the company intends to employ additional roles in sales, production, and research within the next five years.

## **V. Community Impact**

Centralizing production in Minot will not only boost the local economy through job creation and bringing wealth from outside North Dakota but also maintains Minot's heart and long history as a hub for innovative rail solutions.

## **VI. Investment & Growth Opportunities**

### **Immediate Returns:**

The projected growth from \$1.8 million to over \$9 million in the span of 5 years promises a robust return. With the community's investment, Hot Switch can scale rapidly, ensuring swift returns both for the community and the business.

### **Long-term Vision:**

Backed by a moat of patents and a unique value proposition, Hot Switch is poised for market leadership. As the sole provider of induction heating for rails, coupled with Fiberglass Specialties' switch covers, the company is well-positioned to capture a significant market share, promising sustainable growth.

### **Utilization of the \$215,000 Interest Buy-Down:**

This support from the city council will significantly reduce the cost of capital, allowing Hot Switch to reinvest more into job creation, R&D, and marketing. Over the span of the loan, this interest buy-down could result in savings of over \$600,000 directly contributing to company growth and community benefits.

In conclusion, Hot Switch Heating Systems offers a promising venture not just in terms of returns but also in the positive ripple effects it brings to the community. Through innovation, job creation, and sustainable practices, the company is poised to be a beacon of growth and progress in Minot, ND. The support of the city council will be pivotal in translating this vision into reality.

Please visit our Hot Switch and Fiberglass Specialties Websites for more information. We are currently working on a new website that will include both the Magnetic Induction Heating System and Fiberglass Switch Heater Covers. This will be an integral part of our selling process and will showcase the two systems.

[www.HotSwitchHeatingSystems.com](http://www.HotSwitchHeatingSystems.com)

[www.FiberglassSpecialtiesND.com](http://www.FiberglassSpecialtiesND.com)



Hot Switch Heating System



Fiberglass Switch Heater Covers



Installation photos of Hot Switch Heating Systems on the Rail



Control Cabinet Box for the Hot Switch Heating System