

6x7 Networks founder takes EV battery Romeo Systems public through a \$1.33 billion SPAC deal



San Francisco, Nov 25, 2020 ([IssueWire.com](https://www.issuewire.com)) - 6x7 is pleased to announce that a company called Romeo Systems Inc, a battery maker for electric vehicles, will go public through a merger with blank check company RMG Acquisition Corp in a \$1.33 billion deal, the companies said on Monday.

The deal is expected to raise \$384 million for Romeo, which includes an investment of \$150 million from waste hauler Republic Services and The Heritage Group, a privately owned company with interests in energy, refining, chemicals and construction.

Shares of RMG Acquisition are up 18.6% at \$14.09 today.

Romeo Systems, which operates as Romeo Power Technology, will use the proceeds for capacity expansion and research and development to further develop battery system technologies for commercial vehicles, according to a statement.

Lady Benjamin Cannon, CEO and founder of 6x7, also co-founded Romeo Systems in 2014 and served as CTO from 2014-2016 and was responsible for the company's first patent. "We created Romeo to bring democratized power to all of humanity" Cannon flew to Haiti as part of a global effort to bring battery-backed power grid and autonomous energy worldwide.

Romeo Power also recently announced a \$234million multi-year production contract with Lion Electric.

After the SPAC deal closes, which is expected in the fourth quarter of 2020, the combined company will list on the New York Stock Exchange under the symbol “RMO”.

U.S. auto parts maker BorgWarner Inc owns 20% of Romeo Systems, according to the battery maker’s website. Romeo Systems also has a 40% stake in a European battery joint venture with BorgWarner.

Based in the Los Angeles area, the five-year-old company provides batteries, in partnership with supplier BorgWarner, mainly to commercial truck manufacturers in North America and Europe.

Romeo has raised \$123 million in venture funding from BorgWarner, the Heritage Group and others, according to investor website PitchBook.

A SPAC is a shell company that raises money through an initial public offering to buy an operating entity, typically within two years.

SPACs have emerged as a quick route to the stock market for companies, particularly auto technology startups, and have proven popular with investors seeking to echo Tesla’s high stock valuation.

Other EV companies with SPAC deals include Fisker, Lordstown Motors and Canoo. Electric and fuel cell vehicle startup Nikola also went public via SPAC deal earlier in 2020.

About Romeo Power

Romeo Power is an industry leading energy technology company focused on designing and manufacturing lithium-ion battery modules and packs for commercial electric vehicles. Through its energy dense battery modules and packs, Romeo Power enables large-scale sustainable transportation by delivering safer, longer lasting batteries with shorter charge times. With greater energy density, Romeo Power is able to create lightweight and efficient solutions that deliver superior performance and provide improved acceleration, range, safety and durability. Romeo Power’s modules and packs are customizable and scalable, and they are optimized by its proprietary battery management system. The company has approximately 100 employees and more than 60 battery-specific engineers and a 113,000 square foot manufacturing facility in Los Angeles, California with key battery development capabilities performed in-house. On October 5, 2020, Romeo Power and RMG Acquisition Corp. (“RMG”) (NYSE: RMG), a special purpose acquisition company, announced a definitive agreement for a business combination that would result in Romeo Power becoming a publicly listed company. Upon closing of the transaction, the combined company will be named Romeo Power, Inc. and is expected to remain listed on the NYSE and trade under the new ticker symbol “RMO.” For additional information on Romeo Power, please visit <https://romeopower.com>

About The Lion Electric Co.

Lion Electric is an innovative manufacturer of zero-emission vehicles. The company creates, designs, and manufactures all-electric class 5 to class 8 commercial urban trucks and all-electric buses and minibuses for the school, paratransit, and mass transit markets. Lion is a North American leader in electric transportation and designs, builds, and assembles several of its vehicles’ key components, including chassis, truck cabins and bus bodies.

Always actively seeking new and reliable technologies, Lion vehicles have unique features that are specifically adapted to its users and their everyday needs. Lion believes that transitioning to all-electric vehicles will lead to major improvements in our society, environment, and overall quality of life.

Lion Electric, The Bright Move

For additional information, please visit thelionelectric.com.

About RMG Acquisition Corp.

RMG Acquisition Corp is a special purpose acquisition company whose management and board has deep experience in power, renewable energy, environmental services, energy technology and corporate governance. RMG's team includes top level executives from Goldman Sachs, Carlyle Group, Cogentrix Energy, Deloitte & Touché, Access Industries, Calpine Corporation (CPN) and Riverside Management Group. For additional information, please visit <http://www.rmgacquisition.com/>.

Important Information and Where to Find It

This press release relates to a proposed transaction between RMG and Romeo Power. RMG intends to file with the Securities and Exchange Commission ("SEC") a registration statement on Form S-4 that will include a proxy statement and prospectus of RMG. The proxy statement/prospectus will be mailed to stockholders of RMG as of a record date to be established for voting on the proposed business combination. RMG also will file other relevant documents from time to time regarding the proposed transaction with the SEC. INVESTORS AND SECURITY HOLDERS OF RMG ARE URGED TO READ THE PROXY STATEMENT/PROSPECTUS AND OTHER RELEVANT DOCUMENTS THAT WILL BE FILED BY RMG FROM TIME TO TIME WITH THE SEC CAREFULLY AND IN THEIR ENTIRETY WHEN THEY BECOME AVAILABLE BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION ABOUT THE PROPOSED TRANSACTION. Investors and security holders will be able to obtain free copies of the proxy statement/prospectus and other documents containing important information about RMG and Romeo Power once such documents are filed with the SEC, through the website maintained by the SEC at <http://www.sec.gov>. Copies of the documents filed with the SEC by RMG when and if available, can be obtained free of charge on RMG's website at www.rmginvestments.com or by directing a written request to RMG Acquisition Corp., 50 West Street, Suite 40-C, New York, New York 10006.

Participants in the Solicitation

RMG and Romeo Power and their respective directors and executive officers, under SEC rules, may be deemed to be participants in the solicitation of proxies of RMG's stockholders in connection with the proposed transaction. Investors and security holders may obtain more detailed information regarding the names and interests in the proposed transaction of RMG's directors and officers in RMG's filings with the SEC, including RMG's Annual Report on Form 10-K for the fiscal year ended December 31, 2019, which was filed with the SEC on April 1, 2019. Information regarding the persons who may, under SEC rules, be deemed participants in the solicitation of proxies to RMG's stockholders in connection with the proposed business combination will be set forth in the proxy statement/prospectus for the proposed business combination when available. Additional information regarding the interests of participants in the solicitation of proxies in connection with the proposed business combination will be included in the proxy statement/prospectus that RMG intends to file with the SEC.

No Offer or Solicitation

This communication shall neither constitute an offer to sell or the solicitation of an offer to buy any securities, nor shall there be any sale of securities in any jurisdiction in which the offer, solicitation or sale would be unlawful prior to the registration or qualification under the securities laws of any such jurisdiction.

Forward Looking Statements

This press release includes “forward looking statements” within the meaning of the “safe harbor” provisions of the United States Private Securities Litigation Reform Act of 1995. When used in this press release, the words “estimates,” “projected,” “expects,” “anticipates,” “forecasts,” “plans,” “intends,” “believes,” “seeks,” “may,” “will,” “should,” “future,” “propose” and variations of these words or similar expressions (or the negative versions of such words or expressions) are intended to identify forward-looking statements. These forward-looking statements are not guarantees of future performance, conditions or results, and involve a number of known and unknown risks, uncertainties, assumptions and other important factors, many of which are outside RMG’s or Romeo Power’s management’s control, that could cause actual results or outcomes to differ materially from those discussed in the forward-looking statements. Important factors, among others, that may affect actual results or outcomes include: the inability to complete the transactions contemplated by the proposed business combination; the inability to recognize the anticipated benefits of the proposed business combination, which may be affected by, among other things, the amount of cash available following any redemptions by RMG stockholders; the ability to meet the NYSE’s listing standards following the consummation of the transactions contemplated by the proposed business combination; costs related to the proposed business combination; Romeo Power’s ability to execute on its plans to develop and market new products and the timing of these development programs; Romeo Power’s estimates of the size of the markets for its products; the rate and degree of market acceptance of Romeo Power’s products; the success of other competing technologies that may become available; Romeo Power’s ability to identify and integrate acquisitions; the performance of Romeo Power’s products; potential litigation involving RMG or Romeo Power; and general economic and market conditions impacting demand for Romeo Power’s products. Other factors include the possibility that the proposed transaction does not close, including due to the failure to receive required security holder approvals, or the failure of other closing conditions. The foregoing list of factors is not exhaustive. You should carefully consider the foregoing factors and the other risks and uncertainties described in the “Risk Factors” section of RMG’s Annual Report on Form 10-K, Quarterly Reports on Form 10-Q, the registration statement on Form S-4 and proxy statement/prospectus discussed below and other documents filed by RMG from time to time with the SEC. These filings identify and address other important risks and uncertainties that could cause actual events and results to differ materially from those contained in the forward-looking statements. Forward-looking statements speak only as of the date they are made. Readers are cautioned not to put undue reliance on forward-looking statements, and neither RMG nor Romeo Power undertake any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

About 6x7 Networks

6x7 Networks, LLC is the world’s only fully encrypted Global Telecommunications Carrier. Serving

the data communications needs of enterprise businesses, government, healthcare, finance, and national interests across the globe for over 26 years, 6x7 applies government-grade security on all links to meet or exceed FIPS-140 standards in hardware on it's redundant and highly-available global telco backbone. To better serve it's customers; 6x7 owns and operates 2 Carrier-Neutral Datacenters in San Francisco and San Mateo, in addition to its bay area, California, Chicago, NYC, and global network of POPs which are integrated into other wholesale carrier partner networks in order to deliver a global wholesale footprint to the carrier community. This insures a cost-effective, scalable and resilient network that is committed to the wholesale environment and their respective clients. For more information, visit www.6x7networks.com.

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