



MANGROVE

EQUITY PARTNERS

The Ideal Partners for Liquidity and Growth

Mangrove Equity Partners is
pleased to announce the
Family Recapitalization of
**a Canadian manufacturer of
branded-consumer leisure goods**



JANUARY 2010

Mangrove's latest recapitalization is a **Canadian manufacturer of branded-consumer leisure goods**. This family-recap marks the Mangrove team's second platform in Canada and its fourth new platform investment in sixteen months. Details regarding the industry niche and company name are omitted in keeping with the family's requests. Mangrove and our operating team contributed to strategic initiatives even before the deal closed, including:

- Building a U.S. sales team and rep organization
- Addressing the management of tax issues that stymied growth in the much larger U.S. market
- The creation of a new, lower-price-point product, opening up to the company the largest portion of the market

The Mangrove team rolled up their sleeves to understand complex industry dynamics associated with a product whose use is regulated differently in every state. Mangrove worked extensively with management to improve financial reporting in an effort to prepare the company for a transaction. Going forward, Mangrove will be assisting with the implementation of a sophisticated IT system that will integrate sales and manufacturing in order to better manage the company.

Mangrove Equity Partners: More Than the Commodity of Cash

The Mangrove team works hard to be your go-to private equity fund in the lower middle market by offering the following differentiating advantages:

- Experience, references, flexibility creativity, and a can-do attitude to get deals closed (124 deals to date), even in challenging environments
- Industry knowledge and industry-specific strategic relationships born of closing deals in 49 industries (creates a very different dialogue with company owners and managers)
- Experience and references in a variety of deal situations to build commonality, gain trust of company owners and managers (e.g. recap/consolidations, management buy-out and buy-ins, divisional acquisitions, family business dynamics, management gaps, etc.)
- Three full-time operating partners with meaningful ownership in Mangrove with the skill sets, experience, and peer-to-peer credibility to win over company owners and managers. Mangrove's operating partners work through complex issues, help with important portfolio company initiatives and build real value at portfolio companies. Since most of Mangrove's deals are recaps, owner/operators seek the ideal partner to maximize profitable growth
- The ability to bridge financing to ensure timely closing of transactions
- An attitude and practice of partnership with our deal sources over the past 20 years. We roll up our sleeves and work with intermediaries to do what is necessary to move deals forward. If a deal is not a fit for Mangrove's criteria, we endeavor to provide accurate and helpful suggestions as to who may have a pointed interest. Our goal is to help our deal sources get their deals done and accordingly, become their go-to fund in the lower middle market

We hope to have the pleasure of working closely with you.

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