



MANGROVE

EQUITY PARTNERS

The Ideal Partners for Liquidity and Growth

Mangrove Equity Partners is pleased to announce the Majority Recapitalization of Gayesco, LLC, a Houston, Texas based manufacturer of temperature sensor systems



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Gayesco, LLC is a Houston, TX based manufacturer of high-quality, custom—engineered, precise temperature sensor systems for process plants where accuracy in temperature measurement is critical to ensure process efficiency, quality of product output, and safety. Gayesco’s proprietary, innovative systems enjoy material competitive advantages relative to competitors’ systems. Mangrove looks forward to working with the incumbent management team to further penetrate additional process industries and international markets.

Just as Gayesco provides systems that perform for customers as few others can, Mangrove performed for the buy-side intermediary, Gayesco’s owners and managers as few funds in the lower middle market can today by:

- Bridging the financing of the transaction to ensure a timely closing, even in a difficult financing environment
- Having operating partners with engineering backgrounds to understand the technical aspects of this industrial niche (we speak the same language)
- Performing primary research to understand complex industry dynamics that would derail suitors who lacked the willingness and capacity to dig in, do the work and understand Gayesco’s opportunities
- Allowing the primary owner to transition from his day to day operating role into the product development work that is his passion
- Structuring a partnership that provides equity to key managers with whom Mangrove will pursue Gayesco’s considerable growth opportunities

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 (122 deals to date), even in challenging environments
- Industry knowledge and industry-specific strategic relationships born of closing deals in 48 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

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