



Private equity quiet; industry still dealing

By James P. Marra

Deal flow continued to ease in April 2008, which turned out to be a particularly slow month for Northeast Ohio private equity buyers. Brown Gibbons Lang and Capital IQ reported 15 closed and six announced transactions in April. The most notable are presented below.

Industry buyers dominated the scene. Less constrained by the turbulent credit markets and more flush with cash, they added across a number of sectors. Davey Tree continued its geographic expansion into outsourced utility services, particularly right-of-way management, through its acquisition of Wolf Tree Experts, based in eastern Tennessee.

Parker Hannifin continued to consolidate. Besides completing the acquisition of Vansco Electronics, the company also announced the acquisition of Hi-Tech Holdings, a group of companies that provide precision plastic and elastomeric components for medical devices, such as intravenous equipment, drug infusion pumps, catheters and diaphragms, sold directly to original equipment manufacturers. This represents expansion into a relatively new market for Parker, which will integrate the acquired

businesses into its new Medical Systems Division, part of the company's Seal Group.

On the managed health care side, Medical Mutual of Ohio picked up Premier Health Systems in April. Local realty leader Howard Hanna Smythe Cramer acquired Tom Campensa Realty Co., strengthening its position in Akron. Cleveland-based NDI Medical, a developer of neurostimulation products, was absorbed into medical device giant Medtronics.

Private equity sat out the month for the most part. No transactions involving NEO private equity groups, either as buyers or sellers of new platform companies, were announced during April. However, Riverside added Central Power Products to its Nordco platform of railroad products and HerbThyme Farms to its GreenLine Foods platform of fresh, microwavable vegetables.

JAMES P. MARRA is president of ACG Cleveland. He is also principal and director of business development at Blue Point Capital Partners. For more information about the Association for Corporate Growth, visit <http://chapters.acg.org/cleveland>.

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SELECTED MERGERS & ACQUISITIONS

Local companies in bold

Deal data provided by Brown Gibbons Lang and Capital IQ.

Closed	Target	Buyer	Seller	Value (mil.)
April 16	Coreflex LLC	Swagelok Co.	-	N.A.
April 15	NDI Medical Inc.	Medtronic Inc.	-	N.A.
April 14	Wave7 Optics Inc.	Enablence Technologies Inc.	Morgenthaler and six others	\$13.95
April 14	Quarter Master Industries Inc. and Tex Racing Enterprises Inc.	-	Hawk Corp.	N.A.
April 11	Sorbent Technologies Corp.	Albemarle Corp.	-	\$20
April 7	Flowcrete Group plc	RPM International Inc.	-	N.A.
April 7	SNOCAP Inc.	imeem Inc.	Morgenthaler and five others	N.A.
April 7	Electro-Arco S.A	Lincoln Electric Holdings Inc.	-	N.A.
April 4	Hi-Tech Rubber Inc.	Parker Hannifin Corp.	Century Park Capital Partners Inc., Red Diamond Capital Inc.	N.A.
April 2	OC Financial Inc.	First Place Financial Corp.	-	\$7.54
April 2	Premier Health Systems Inc.	Medical Mutual of Ohio	Palmetto Health, Sisters of Charity Providence Hospitals	N.A.
April 2	FirstSpeed LLC	PowerGrid Communications Inc.	First Communications Inc.	N.A.
April 2	Tom Campensa Realty Company Inc.	Howard Hanna Smythe Cramer	-	N.A.
April 1	EFL Associates/TranSearch	CBIZ Inc.	-	N.A.
April 1	Wolstenholme International Limited, Carbon Black Dispersions Business and other assets	Emerald Hilton Davis Inc.	Wolstenholme International Limited	N.A.
Announced	Target	Buyer	Seller	Value (mil.)
April 29	ICS Garland Inc.	Sika Corp.	-	N.A.
April 24	Wills Trucking Inc.	-	-	\$6.0
April 17	Wolf Tree Experts Inc.	The Davey Tree Expert Co.	-	N.A.
April 16	Progressive Corp.	TRC Capital Corp.	-	\$83

DEAL OF THE MONTH

On April 7, RPM International purchased Flowcrete, plc, a U.K.-based multinational provider of industrial flooring products — resin floor finishes, seamless terrazzo floors, industrial flooring and parking deck surfaces. Flowcrete recorded approximately \$75 million in sales for fiscal 2007, a 24 percent increase from the previous year. The acquisition fits nicely into RPM's portfolio of industrial coatings and sealants businesses. Dawn Gibbins, one of Flowcrete's founders and its chair up until the sale, will retire from the company and take this opportunity "to fulfill a lifelong ambition to create a social enterprise (that) promotes, educates and supports the concept of feng shui and healthy environments into the U.K.'s residential and business communities." Congratulations to Dawn and to RPM for yet another successful acquisition.