



OUR FAST TRACK ACQUISITION CRITERIA

We are seeking to acquire stable, but potentially underperforming, smaller middle-market companies to utilize our expertise as Business Performance Improvement consultants to create value for ourselves and our investors. We are primarily interested in niche manufacturing companies with branded products; although we will consider other opportunistic niche businesses with high growth potential. We are particularly interested in retirement buyout transactions. Our criteria are designed to help “Fast Track” the acquisition and includes the following:

Minimum size, consistent for the past three fiscal years:

- \$10 million to around \$50 million in annual revenue; and
- EBITDA of 20 percent, which indicates that the market place views the goods or services as being value-added, not a commodity.

Locations we would consider include:

- Mid Atlantic;
- New England; and
- Southeast.

Our other considerations, in no particular order:

- A fair asking price as a starting point based on published multiples of current EBITDA for the size and industry of the business being offered (we don't want to waste our time or the seller's time talking, even preliminarily, about a transaction when the seller's asking price is unknown or unreasonable as a starting point).
- A seller committed to selling and willing to remain during a transition period with the middle-management team in place and remaining thereafter.
- A leadership position in the product line, cost position or distribution channels.
- A good story regarding future growth opportunities.
- Diversification of products, customers, markets and suppliers.
- Three years of financial statements. While audited financial statements are highly preferred over “reviewed” or “compiled” statements, future earnings projections are of no use.
- We will work with owners and their “Sellers’ Reps”. We will not work with “Buyers’ Reps” or pay finders’ fees.



Our acquisition efforts are led by Richard Azar who would act as the deal sponsor in any transaction. He would, in turn, select a Private Equity Group for the equity piece of the capital structure based on a fit between the target company and a PEG's acquisition criteria and its ability to contribute to strategic growth. Richard would also assume the operations management leadership role as a working CEO/Management Team Leader.

Richard has 30+ years of professional consulting experience largely in the area of Business Performance Improvement including 16+ years with Ernst & Young and PricewaterhouseCoopers consulting groups where he was a Senior Manager and Director, respectively. He was on E&Y's National Manufacturing Cost Controls practice committee and has an extensive real estate industry experience.

Richard is currently the Managing Member of The Fast Track Group, LLC, a management consulting practice he founded in 2005. His clients include:

- BlackRock, (real estate related financial services);
- ING, (real estate financial services);
- Mitchell Gold + Bob Williams (furniture manufacturing);
- Houghton International (chemical manufacturing); and
- Innophos Inc. (chemical manufacturing).

Richard's clients also include several prominent Private Equity Groups, including Wafra Partners and AEA Investors. A number have been repeat clients over the past 10 years.

Richard earned his MBA in Accounting from Pace University and his CPA license from New York State. To view Richard's professional bio on-line, please follow this URL link: <http://www.thefasttrackgroup.com/leadership.html> .

For more information, please contact Richard Azar, 917-267-7685, or via e-mail at razar@thefasttrackgroup.com .