



Corporate Fuel Partners – Fund II

Corporate Fuel Partners (CFP) is an operationally oriented private equity group specializing in the acquisition of lower middle market companies. CFP is currently making investments from Community Fuel Investment Partners, its second fund, and has \$55mm of assets under management via its two funds.

INVESTMENT CRITERIA

Company Size: EBITDA \$1 million – \$3 million

Investment Size: \$2 million - \$8 million initial equity investment, plus add-on growth/acquisition funding

Company Characteristics:

- History of profitability with a growth trajectory
- Operating in industries and market segments with higher-than-average macro trends
- Inherently strong gross margin profile and sustainable competitive advantage
- Addressable underperformance factors
- Nucleus of exceptional management

Geographic Preference: Northeast but will consider anywhere in the US

Use of Capital:

- Recapitalizations of closely held or family owned businesses
- Management buyouts or ownership transitions
- Corporate divestitures
- Growth financing

Operational Expertise:

- Hands-on orientation with emphasis on providing sufficient capital to fund working capital growth and appropriate capital investment
- In-house executive recruitment capabilities
- Adherence to good business practices including robust budgeting, governance, compliance and focus on appropriate key performance indicators

Industry Focus:

- Healthcare (life sciences, medical devices, healthcare services), Business Services, Manufacturing, Industrial Services, Value Added Distribution, Technology Services, Software Services

Case Studies:

RESONETICS THE LEADER IN LASER MICRO MANUFACTURING FOR LIFE SCIENCES Corporate Fuel acquired Resonetics, a laser micromachining company that provided contract manufacturing services to medical device, telecommunication and electronics businesses. Over 7 years of ownership, moved to state-of-the-art facilities, implemented full ERP/quality system, achieved ISO 13485 certification and recruited strong additions to management team. The business was sold in September 2014 to Sverica, another private equity firm, yielding pre-tax proceeds to the LP's of nearly 5x their investment with an IRR of 23%.

Genisphere A life science company that has a proprietary nanoparticle comprised of DNA that is used for the targeted delivery of therapeutics. Originally the nanoparticle was used to deliver signal and amplify the sensitivity of diagnostics tests. About 3 years ago, the nanoparticle was adapted as a targeted drug delivery vehicle a significant option-to-license agreement has been executed with MedImmune, with a number of additional large pharmaceutical firms evaluating the technology. \$12m in equity has been invested to-date, with the most recent equity round completed in August 2016 at a \$30m valuation.

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