



**IN THIS ISSUE | MAY 2010**

- ▶ **Introduction** ————— Quarterly Overview
- ▶ **Industry Focus** ————— Excellere Industry Segments
- ▶ **Industry Highlight** ————— Aviation Maintenance, Repair and Overhaul
- ▶ **Portfolio Update** ————— ASI Completes the Acquisition of ICOR Partners, LLC
- ▶ **Value-Added Capability** ————— Buy and Build Case Study – JTC Education
- ▶ **Excellere Portfolio** ————— Overview of Excellere Portfolio Companies
- ▶ **The Team** ————— Contact Information



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**Quarterly Overview**

As we approach the middle of 2010, the private equity market continues to improve as portfolio companies are benefiting from the rebounding economy and sponsors are focused on making new investments. Credit availability – fueled by lenders once again competing to win transactions – has enabled private equity buyers to be more proactive and aggressive. While the recovery is still in its nascent stages, we are optimistic that 2010 will be a better if not good year for our industry.

The first quarter of 2010 at Excellere Partners was occupied with the integration of three recent add-on acquisitions, implementation of our tools and strategic resources to drive operational excellence, and investment in infrastructure to build solid foundations across our portfolio. Additionally, Excellere Partners is pleased to report that its portfolio companies are experiencing strong organic growth, which is allowing the firm to aggressively pursue new platform investments as well as add-on acquisitions.

**Partnering to Create Opportunities Together**

While the deal market has been slow to recover, and some private equity groups have been saddled with struggling legacy portfolio companies, Excellere Partners has remained active closing four transactions in 2009. This year is no different. Our 2010 goal is to close as many as two new platforms. As you know, Excellere Partners has and will always participate in auctions, especially when the represented company fits our industry and acquisition criteria. However, we know that last year there were a number of marketed companies that did not sell due to the company's performance or ability to get deal financing. We would like to encourage you to consider introducing Excellere Partners to any of these types of companies that fit our targeted industries (or companies you know that do not want to go through a broad process) that have a minimum Ebitda of \$4.0 million (any size for strategic add-on acquisitions).

To ensure you of our commitment, we have plenty of equity capital available, lenders who are eager to support us (continued use of modest leverage), and the ability to close transactions quickly.

We will **GUARANTEE** you this: if you provide a **PROPRIETARY** opportunity that we ultimately close, Excellere Partners will commit the following: (1) a generous buy-side fee, (2) a co-invest opportunity, (3) an engagement with add-on acquisitions, and (4) either represent us in the exit or receive an additional fee when the company is sold. Please contact any of the Excellere professionals with new opportunities or potential deals that you believe would be of interest to us. We promise that we will respond expeditiously regarding our interest.

## Excellere Industry Segments

Excellere Partners employs a proven top-down, research driven investment strategy targeting industry niches that are positioned to benefit from favorable macro-economic and demographic trends and consolidation. This strategy begins with diligent and systematic research followed by immersed participation within the industry, reaching across a vast network of relationships and participation in industry events. This dedicated multi-year strategy provides confidence to the intermediary community, while ensuring that we are a knowledgeable and additive partner with our platform company management teams.

Please find below a summary of our industry areas of interest:

### BUSINESS SERVICES

- ▶ Business and government outsourcing
- ▶ Business process outsourcing
- ▶ Outsourced insurance services

### EDUCATION AND TRAINING

- ▶ Postsecondary
- ▶ Specialized career training
- ▶ Testing, assessment and support services

### HEALTHCARE

- ▶ Outpatient services
- ▶ Specialty distribution and consumables
- ▶ Outsourcing services and manufacturing

### INDUSTRIAL TECHNOLOGY AND SERVICES

- ▶ Infrastructure, environmental and utility services
- ▶ Highly engineered products
- ▶ Industrial safety and maintenance

### SPECIALTY FOODS

- ▶ Ingredients, additives and flavorings
- ▶ Organic/ethnic
- ▶ Prepared foods

### INVESTMENT DYNAMICS

- ▶ \$4-20 million in EBITDA
- ▶ Majority recapitalizations with significant rollover
- ▶ Management with vision for growth and desire for partnership
- ▶ Differentiated business model with compelling customer value proposition
- ▶ Potential for customer centric buy and build consolidation

## Aviation Maintenance, Repair and Overhaul (“MRO”)

Building upon a strong track record of partnering with management and investing in businesses that provide outsourced services, Excellere Partners would like to highlight its interest in the aviation MRO sector within the firm’s Industrial Technology and Services industry focus. The firm’s interest is based upon a combination of a strong value proposition, continued trend toward outsourcing non-core maintenance and recurring revenue streams comprised of long-term contracts. Specifically, Excellere Partners is focused on exploring opportunities within the component subsector of the Aviation MRO industry.

**Compelling Value Proposition:** Volatile petroleum prices and economic conditions, combined with the emergence and success of low-cost carriers, have brought to the forefront the need for fleet operators to reduce cost and increase efficiencies across their organizations. Aviation MRO providers offer fleet operators a multi-faceted value proposition:

- ▶ **Efficiency:** In-house non-core MRO operations typically incur higher labor costs due to unfavorable legacy contracts;
- ▶ **Service:** Investments to streamline operations and real-time reporting capabilities enable independent MROs to provide best-in-class turnaround times;
- ▶ **Quality:** Specialization in MRO services and investment in critical equipment and technology allow independent MROs to realize economies of scale through high unit volume from a diverse base of customers (commercial and military); and
- ▶ **Cash Flow:** Faster turnaround times as well as creative sales arrangements allow customers to carry less inventory, improving cycle times and freeing up profits and cash flow.

**Large and Growing Sector:** The outsourcing of aviation maintenance, repair and overhaul services to dependable, cost-effective MROs continues to grow as airlines are under increasing pressures from fuel prices and competition. Major airlines, militaries and freight carriers, which previously operated their own internal MRO operations, are increasing the level of outsourcing in favor of better, cheaper, and faster alternatives. Industry analysts estimate a significant increase in global market value from approximately \$42 billion in 2009 to over \$52 billion in 2018 and even higher rates of growth within the components sub-sector.

**Buy-and-Build Opportunity:** The MRO industry remains highly fragmented with approximately 60% of the companies generating \$100 million or less in revenues. Customer preferences are shifting from niche providers who offer a la carte services to MRO platforms offering fully integrated solutions. In addition to traditional maintenance and repair functions, customers are demanding engineering, program management, and other support functions. Most non-airline industry participants focus on a narrow set of capabilities or operate within a limited geography. This dynamic creates a tremendous opportunity, through a buy-and-build strategy, to create an industry leader that can provide its customers with a broad suite of capabilities across numerous aviation platforms.

Please contact Robert Martin (303) 765-2407, Patrick O’Keefe (303) 765-2412 or Scott Friar (303) 765-2408 to discuss the Aviation MRO industry further. Excellere Partners is pleased to pay a buy-side transaction fee to any intermediary who provides an introduction that result in a closed transaction.

## ASI Completes the Acquisition of ICOR Partners, LLC

On January 12, 2010, Acquisition Solutions, Inc. (“ASI”), an Excellere Partners portfolio company that serves the federal government as a “trusted advisor”, announced the purchase of substantially all of the assets of ICOR Partners, LLC (“ICOR”). Headquartered in Arlington, VA, ICOR is a management consulting firm focused on providing strategy, transformation and business improvement services to clients in the public sector. ICOR delivers its services across four key market federal government sectors including healthcare; foreign policy and international development; national and homeland defense, intelligence and immigration; and chemical, biological and nuclear non-proliferation.

“We’ve always talked about ASI as a firm focused on providing a range of holistic disciplines in the acquisition cycle, including systems engineering and architecture, mission and business planning and program management,” said Anne Reed, president and chief executive officer of ASI. “ICOR brings us deep capabilities in all three of these areas, and we’re very excited to have them on board.”

ICOR provides numerous attractive capabilities to ASI, including strategic transformation, process improvement, IT advisory, human resource improvement, program management and other “Trusted Advisor” consulting services that complement ASI’s current core competencies. The combination creates cross-selling opportunities among complementary customers across both organizations. ICOR also provides ASI with a strong leadership team supporting ASI’s vision to leverage its reputation in acquisition and become a diversified management consulting company to the federal government.

For more information regarding ASI, please contact Ryan Heckman (303) 765-2409, Patrick O’Keefe (303) 765-2412, or Lindsay Lewellen (303) 765-2413.

## Buy and Build Case Study – JTC Education

In March 2009, Excellere Partners invested in a new platform (Javelin Technical Training) to build a best-in-class postsecondary education institution that was truly differentiated from other schools that may offer a disparate array of programs and lack geographic focus. In December 2009, JTC Education took two significant steps toward achieving its vision with the acquisition of two healthcare and wellness institutions, each with a strong regional presence.

Following the acquisitions of MedTech College (“MedTech”) and Sanz School (“Sanz”), JTC Education maintains a footprint of 10 campuses in the eastern United States and a population exceeding 3,800 students (90% are enrolled in healthcare and wellness disciplines). In conjunction with Excellere Partners, the JTC management team developed and pursued a disciplined strategic plan and reviewed over 20 transactions before choosing to partner with MedTech and Sanz. The company is poised to offer students a broad program offering including both certificate and associate degree curriculum across a continuum of highly attractive healthcare programs including nursing.

In addition to pursuing acquisitions, JTC Education has developed a best-in-class, compliance focused foundation through the assistance of Excellere’s Project Experts. Below are some of the recent highlights:

- ▶ **Vision:** The JTC management team recently held its second strategic planning session to refine its vision and develop strategic initiatives to enhance all levels of the organization;
- ▶ **Integration:** With the assistance of an Excellere Project Expert, the JTC leadership team developed a pre-closing acquisition plan and, since the closing of MedTech and Sanz, has diligently implemented this plan and made significant progress integrating the businesses;
- ▶ **Leadership:** JTC Education supplemented its existing management team with five senior leaders including a Chief Financial Officer and a Chief Human Capital Officer each referred by an Excellere Project Expert; and
- ▶ **Systems:** The team is in the process of finalizing the conversion of its accounting system and is making significant progress implementing one of the leading student information software platforms across the JTC Education organization.

For more information regarding JTC Education, please contact Ryan Heckman (303) 765-2409, Patrick O’Keefe (303) 765-2412, or Scott Friar (303) 765-2408.

## Overview of Excellere Portfolio Companies

### COMPANIES



ADVANCED PAIN MANAGEMENT

### DESCRIPTION

**Advanced Pain Management** operates interventional pain management ambulatory surgery centers (“ASCs”) and provides operational services to medical care clinicians in the Midwest.

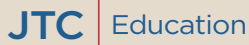
### ACQUISITION STRATEGY

Interventional pain management ASCs and physician groups desiring to join a highly scalable service platform



**ASI** is a “trusted advisor” to the Federal Government, providing consulting services, productivity tools and training to over 56 clients within the Department of Defense, Homeland Security and Civilian agencies.

Government consulting and training companies that enhance and broaden ASI’s current service offering



**JTC** is a for-profit, postsecondary education institution with locations in Georgia, Indiana, Kentucky, Virginia, Maryland, and Washington, D.C. Founded in 1996, JTC has established its reputation as a leading provider of allied health and nursing education services.

Postsecondary education providers with a focus on healthcare and wellness programs



**MedExpress** is the leading provider of outpatient urgent care services. The company provides high-quality urgent care (including digital X-ray, laboratory work, EKGs, IV therapy, and minor surgery) in CO, FL, PA and WV.

Regional-leading, full service urgent care businesses that have critical mass (> 5 centers) within existing or new geographic markets



**MTS** is a leading international provider of pharmaceutical adherence packaging solutions (automated dispensing equipment and consumables) focused on the long term care, retail and nutraceutical markets.

Opportunities that would enable MTS to provide more products and services to pharmacy customers, both domestically and internationally

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