

the client

KRG Capital Partners, LLC (KRG) is a private equity investment firm specializing in acquiring controlling interests in middle-market companies and growing them into significantly larger enterprises through the combination of internal growth and selective strategic add-on acquisitions. KRG currently has approximately \$1.5 billion of assets under management. This capital has been committed from the principals of KRG and a prestigious group of institutional and individual investors.

The firm targets companies with annual revenues between \$35 million and \$400 million, and looks to partner with management teams in companies with a defensible market position, where strategic add-on acquisitions exist to build best-in-class businesses. The focus is on creating a more valuable company with a customer-centric strategy to provide additional products, services and capabilities.

the project

While pursuing an acquisition, KRG identified an opportunity in the workers compensation third party administration (TPA) sector. KRG selected Cook Associates M&A Advisory Services to provide strategic deal sourcing capabilities and introduce them to top companies representing ideal acquisition targets. Also, through Cook Associates' exclusive CEOVisions® program, KRG met with industry-leading executives to help validate their investment strategy. Sven Kins, a Managing Director with Cook Associates M&A Advisory Services led the assignment.

Jay Coughlon, a Director with KRG, commented, "Sven has an unbelievable ability to communicate our investment thesis and value-add to entrepreneurs and CEOs. He accurately articulates the strategic benefits of a transaction from their perspective, rather than simply pushing for a deal because the market is hot or for a one-time financial gain. Sven's dialogue with executives and business owners leads to a keen understanding of long-term growth and professional development goals as well as non-starter issues, making our firm's eventual interaction highly efficient and eliminating acquisition candidates that are simply testing the market. Sven builds momentum in the search process and experiences a volume increase over time. He is self-motivating and proactive about accelerating a process once he has a full understanding of all the nuances of a particular investment thesis."

the result

Cook Associates M&A Advisory Services identified the universe of potential acquisitions, initially focusing on platform sized investments. By successfully articulating KRG's investment strategy to the market, Cook M&A effectively placed KRG as a strategic investor in the eyes of potential sellers. In early 2007, and after uncovering an extensive number of leads and opportunities, Cook Associates M&A Advisory Services and KRG closed their initial acquisition and subsequent merger of Frank Gates, a national family of companies dedicated to controlling employers' costs in workers compensation, auto/general liability, property and maritime/longshore claims, and Attenta, a specialty service provider founded in 1965 for the insured and alternative risk marketplace, providing primarily TPA services. Today, Cook Associates M&A Advisory Services remains an active partner with KRG, Frank Gates and Attenta in identifying additional acquisition prospects.