



Harren Equity Partners and Operating Executive Seek to Partner with Distributors of Construction Supplies

CHARLOTTESVILLE, VA, October 22, 2018 – Harren Equity Partners ("Harren"), a private equity firm dedicated to the lower middle market, is pleased to announce that it has partnered with experienced construction supplies industry executive Bill Niketas ("Niketas") to invest in the construction supplies distribution sector.

The Harren/Niketas team defines companies in the construction supplies distribution sector as ones that distribute a variety of tools, accessories, and other durable and consumable supplies necessary in construction activities. These companies operate as the intermediaries between manufacturers and a highly fragmented customer base of commercial and residential general contractors and subcontractors performing both new build and repair & renovation services. Segments of the sector favored by the team include, but are not limited to:

- *Fasteners*
- *Safety Products*
- *Waterproofing*
- *Hand Tools, Concrete Tools & Accessories*
- *Power Tools & Accessories*
- *General Equipment (generators, water pumps, etc.)*
- *Erosion Control & Geotextiles Fabrics*
- *Masonry Supplies (reinforcement wire, anchors, etc.)*
- *Electric Mechanical Supplies*
- *Drain Systems*
- *All Trade (fans, heaters, ladders, rope, etc.)*
- *Drywall Supplies*
- *Concrete Forming Accessories, Concrete Chemical & Bag Products*

Types of companies that are excluded from this search include those a) who are primarily distributors of brick, mortar, lumber, framing, roofing supplies, concrete, or other heavyweight industrial/building materials, b) that manufacture the aforementioned products, and c) that primarily rent machinery such as forklifts, bulldozers, or heavy equipment.

Niketas previously served as President and CEO of Ram Tool Construction Supply Company. During his 9-year tenure, Ram grew to become one of the largest distributors of commercial construction supplies in its region.

Together, Harren and Niketas seek to invest in a construction supplies distribution platform company, located in North America, having current EBITDA and EBITDA margin of at least \$5 million and 8%, respectively. The team will target companies that are owned by founders, or their families, seeking liquidity of all or a portion of their holdings, as well as divisions of larger corporations. After the closing of a transaction, the team provides leadership flexibility which can reflect the goals of current owners. Niketas is available to serve in a senior management role in situations where current leadership seeks to transition out, or as a Board Member and strategic adviser. Further, given their deep knowledge of the construction supplies distribution sector, Harren and Niketas are able to spend more time with the current owners of a business understanding their goals as opposed to learning the sector.

To discuss Harren's construction supplies distribution search, please contact Lee Monahan at ljm@harrenequity.com.

Seeking New Platforms and Add-on Acquisitions

Harren continues to seek new platform companies on behalf of our current investment vehicle, Harren Investors III, with \$275 million of committed capital. Harren focuses on investment opportunities in the lower middle market, defined as companies with \$20 million to \$200 million of annual revenue. We invest in companies with \$5 to \$30 million of EBITDA in a broad range of industries including industrials/manufacturing, healthcare services, distribution, consumer products & services and business services.

Harren seeks referrals to operating executives seeking to partner with Harren through its Harren Executive Partner (“HXP”) program. HXP is a bridge between Harren’s goal of providing capital to acquire majority ownership of unique lower middle market companies and the goals of entrepreneurial operating executives seeking C-suite management, strategic advisory and/or Board roles. To learn more about HXP please see:

http://www.harrenequity.com/pdf/Harren_Executive_Program.pdf

To discuss the Harren Executive Program please contact George McCabe at gmccabe@harrenequity.com.