



The formation of PaperWorks Industries, Inc. by Sun Capital Partners, Inc. and its subsequent growth through transactions facilitated by Mesirow Financial.

Background

- Mesirow Financial was engaged by Graphic Packaging International (“Graphic Packaging”) to facilitate the sale of two of its coated recycled paperboard mills (“CRB Mills”).
- The divestiture of the CRB Mills was mandated by the U.S. Department of Justice (“DOJ”) after Graphic Packaging’s acquisition of Altivity Packaging, LLC.
- The CRB Mills were ultimately sold to an affiliate of Sun Capital Partners, Inc. (“Sun Capital”), a private equity firm based in Boca Raton, Florida.
- Sun Capital named the entity PaperWorks Industries, Inc. (“PWI”) with the intention of using it as a platform to make acquisitions in the paperboard converting and folding carton markets.

Challenge

- The DOJ required the divestiture to be consummated within 120 days, forcing Mesirow Financial to coordinate an expedited sales process.
- Given the growth characteristics of the CRB market, Sun Capital was heavily focused on creating additional scale at PWI through strategic acquisitions.

Action

- As a result of its strong industry relationships, Mesirow Financial was engaged by several clients with attractive businesses that fit with PWI’s growth strategy.
- Mesirow Financial was separately hired by The Specialized Packaging Group, Inc. (“SPG”) and Manchester Industries, Inc. (“Manchester Industries”) to conduct sale processes involving qualified prospective strategic and financial acquirers, including PWI.
- Through its merger with SPG and its acquisition of Manchester Industries, both leading independent converters of paperboard products, PWI added 10 new converting facilities.
- Separately, PWI completed an acquisition of Rosmar Litho Inc., an independent converter of folding cartons.

Result

- PWI is the third largest integrated CRB producer and among the top ten folding carton companies in North America.
- PWI operates 19 North American locations and generates annual sales in excess of \$620 million.



SUN CAPITAL PARTNERS, INC.



Additional Services offered by Mesirow Financial

Investment Management Institutional money manager in the areas of hedge fund strategies, private equity, currency and commodity management, real estate, U.S. value and international equities and fixed income, as well as investment advisory services for private clients and retirement plan sponsors

Global Markets Well-capitalized broker/dealer with expertise in investment banking, sale-leaseback financing and non-discretionary brokerage services

Insurance Services Full-service insurance brokerage and consultant specializing in the areas of property and casualty, surety, employee benefits, life and disability and private client insurance, as well as structured settlement services

Consulting Financial advisory services including corporate recovery, litigation, investigative and intelligence services, interim management* and valuation services, as well as real estate consulting and compensation and executive benefit strategies

About Mesirow Financial Investment Banking

Mesirow Financial's Investment Banking group focuses exclusively on middle-market transactions and serves established middle-market companies and large corporations, both public and private, in merger & acquisition advisory, capital markets advisory, restructuring and special situations, fairness and solvency opinions, board of directors advisory and special committee representation. We are a national firm with strategic initiatives in China, Southern Europe and the Middle East. Our practice combines rich industry knowledge and long-standing relationships with expert advisory services in the middle market, and our full range of services allows us to serve clients at any the stage of their business.

About Mesirow Financial

Mesirow Financial is a diversified financial services firm headquartered in Chicago. Founded in 1937, we are an independent employee-owned firm with offices across the country and in London. With expertise in Investment Management, Global Markets, Insurance and Consulting, Mesirow Financial strives to meet the financial needs of institutions, public sector entities, corporations and individuals. For more information about Mesirow Financial, visit our website at mesirowfinancial.com.

Securities offered through Mesirow Financial, Inc. Member NYSE, SIPC

Insurance services offered through Mesirow Insurance Services, Inc.

* Interim Management services provided by Mesirow Financial Interim Management, LLC

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Innovative Solutions.