



Environmental Express, Inc.



ENVIRONMENTAL EXPRESS, INC.

Company Profile

HEADQUARTERS:

Charleston, SC

INDUSTRY:

Value-added Distribution

TRANSACTION TYPE:

Buyout

INVESTMENT DATE:

March 2011

EXIT DATE:

December 2014

FUND:

II

This portfolio company case study offers summary information, is provided as an example that clarifies and typifies Incline's investment approach, and may not be representative of Incline's investments. Past results are no guarantee of future results and no representation is made that an investor or portfolio company will or is likely to achieve results that are similar to those of the company described. This investment was not chosen for its returns on investment.

Overview

Environmental Express, Inc. is a leading developer, manufacturer, and distributor of environmental laboratory equipment and supplies, providing an entire range of laboratory products for commercial, governmental, industrial, and academic laboratories worldwide. Applications of their products include the analysis of water and wastewater, oil and grease, metals, and hazardous waste.

Transaction Dynamics

A partnership with management to acquire the company from a private owner. Management made a significant reinvestment in the company as part of the transaction.

Investment Thesis

- ▶ Leading supplier of niche products serving diverse customer base with high switching costs
- ▶ Leverage prior experience in laboratory products from investment in Wheaton Industries
- ▶ Ongoing regulatory testing requirements provide strong recurring revenue base
- ▶ Management team contributing a significant equity investment

Incline Value Enhancement

- ▶ Completed strategic add-on acquisition
- ▶ Relocated operations to a new facility
- ▶ Improved sourcing and operational efficiency
- ▶ Pursued OEM partnership opportunities
- ▶ Upgraded management team