



# STRATEGIC ADVISORS

Middle Market Investment Bankers

*Bringing Efficiency to Inefficient Markets*

**2011**

*1<sup>st</sup> Quarter*

## PITTSBURGH REGIONAL M&A REPORT

**Merger & Acquisition Advisory  
Corporate Finance Advisory  
Strategic Consulting**

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## PITTSBURGH REGIONAL 1Q 2011 M&A TRANSACTIONS

Closed	Buyer/Investor (Ultimate Parent)	Buyer		Target (Seller)	Target		Trans Value (\$MM)
		Local	Type		Local	Sector	
01/01/2011	F.N.B. Corporation (NYSE: FNB)	NC	Public	Comm Bancorp Inc.		Financials	67.8
01/01/2011	Lewis-Goetz & Company, Inc.	PGH	Private	EVCO House of Hose and Industrial Rubber & Supply		Industrials	-
01/03/2011	OuterBox Solutions, Inc.	AK	Private	JFD Group, Inc.	AK	Info Tech	-
01/04/2011	Conifer Holdings, Inc.		Private	Mid-Continent Insurance Company (Fetterolf Group, Inc.)	JTN	Financials	-
01/04/2011	Clover Hill Foods, LLC	PGH	Private	Seafood Direct	PGH	Consumer	-
01/06/2011	Koninklijke Philips Electronics NV (ENX: PHIA)		Public	medSage Technologies, LLC (Innovation Works; Pittsburgh Life Sciences Greenhouse; Idea Foundry)	PGH	Healthcare	18.2
01/07/2011	Celtic Healthcare, Inc.	NC	Private	Hospice Community Care, Inc.		Healthcare	9.0
01/10/2011	Arthur J Gallagher & Co. (NYSE: AJG)		Public	Gleason Financial, Ltd. And The Gleason Agency, Inc.	JTN	Financials	20.2
01/10/2011	Ajax Tocco Magnethermic Corporation (Park-Ohio Holdings Corp. (NASD: PKOH))	YTN	Public	Assets Formerly Known as Pillar (ABP Induction, LLC)		Industrials	-
01/11/2011	Pinnacle Treatment Centers, Inc.	PGH	Private	Endeavor House Inc.		Healthcare	-
01/14/2011	LebanonTurf (Lebanon Seaboard Corporation)		Private	Horticultural and Turf Division (Plant Health Care, Inc.)	PGH	Materials	4.7
01/20/2011	Left Behind Games Inc. (OTC: LFBG)		Public	MyPraize LLC	AK	Info Tech	-
01/24/2011	GPD Group, Inc.	AK	Private	Jester Jones Schifer Architects Ltd.		Industrials	-
01/25/2011	Emerson Process Management LLLP (Emerson Electric Co. (NYSE: EMR))		Public	Turbine Control Service Associates, Inc.	PGH	Industrials	-
01/26/2011	Gill-Simpson, Inc.		Private	W.R. Casteel, LLC	PGH	Industrials	-
01/28/2011	Zefon International, Inc.		Private	Sampling Pump and Cassette Product Line (Mine Safety Appliances Co. (NYSE: MSA))	PGH	Industrials	-
01/31/2011	Main Street Capital Holdings, L.L.C.	PGH	Financial	Conolec of Florida, LLC		Industrials	-
01/31/2011	Xilinx Inc. (NASDAQ: XLNX)		Public	AutoESL Design Technologies, Inc. (Adams Capital Management, Inc.)	PGH	Info Tech	-
01/31/2011	Metalico Inc. (AMEX: MEA)		Public	Goodman Services, Inc.	BDF	Bus Services	-
02/01/2011	Breckenridge IS, Inc.	AK	Private	REcentis Intermediaries, LLC		Financials	-
02/02/2011	Montauk Energy Capital, LLC	PGH	Private	US Landfill Gas (Viridis Clean Energy (ASX: VIR))		Energy	7.3
02/07/2011	PropertyInfo Corporation, Inc. (Stewart Information Services Corp. (NYSE: STC))		Public	RecordFusion, LP	NC	Info Tech	-
02/09/2011	Wheaton Industries, Inc. (PNC Equity Partners)	PGH	Private	Laboratory Sales (U.K.) Ltd.		Healthcare	-
02/10/2011	The Euclid Chemical Company (RPM International Inc. (NYSE: RPM))	CAN	Public	PSI Packaging, Inc.		Industrials	-
02/16/2011	ID. Images LLC	AK	Private	Heather Label, Inc.		Industrials	-
02/16/2011	System One Holdings, LLC	PGH	Private	Link2Consult, Inc.		Info Tech	-
02/17/2011	Atlas Energy, LP (NYSE: AHD)	PGH	Public	Interests in Investment Management Business and Oil and Gas Assets (Atlas Energy, Inc.)	PGH	Energy	255.6
02/17/2011	Management	AK	Private	Smithers-Oasis Company	AK	Materials	-
02/18/2011	Chevron Corporation (NYSE: CVX)		Public	Atlas Energy, Inc.	PGH	Energy	5,468.3
02/24/2011	Howard Hanna Real Estate Services, Inc. (Hanna Holdings, Inc.)	PGH	Private	John Glise, Inc.		Financials	-
02/25/2011	FirstEnergy Corp. (NYSE: FE)	AK	Public	Allegheny Energy Inc.	GBG	Energy	9,322.6
02/25/2011	Westinghouse Air Brake Technologies Corporation (NYSE: WAB)	PGH	Public	Brush Traction Ltd. (FKI Plc)		Industrials	31.0
02/28/2011	Petermann Ltd.		Private	Mathews Bus Company	PGH	Industrials	-
02/28/2011	INEOS Group, Ltd.		Private	Ineos Nova LLC (Nova Chemicals Inc.)	PGH	Materials	-
02/28/2011	Macsteel Service Centres USA, Inc. (Macsteel Service Centres SA (Pty). Ltd.)		Private	Steel Coil Services, Inc. (United States Steel Corp. (NYSE: X))	PGH	Industrials	-
03/01/2011	West Virginia United Health System, Inc.	CLK	Private	St. Joseph's Hospital (Signature Hospital Corporation, Inc.)	CLK	Healthcare	-
03/02/2011	RouteMatch Software, Inc.		Private	RouteShout product line (DeepLocal Inc.)	PGH	Info Tech	-
03/03/2011	Intermec, Inc. (NYSE: IN)		Public	Vocollect, Inc. (Riverside Partners LLC; SRK Management Company, Inc.)	PGH	Telecom	197.0
03/03/2011	Inmedius, Inc.	PGH	Private	KnowledgeXtensions, Inc.		Info Tech	-
03/04/2011	Management	YTN	Private	Winner Aviation Corporation, Inc.	YTN	Industrials	-
03/07/2011	USIC Locating Services, Inc. (United States Infrastructure Corporation)		Private	Utility Services and Consulting Corp. (Geospatial Holdings, Inc. (OTC: GSPH))	NC	Info Tech	0.7
03/09/2011	Alcoa Global Fasteners, Inc. (Alcoa, Inc. (NYSE: AA))	PGH	Public	Valley-Todeco Inc. and Linread Ltd. (TransDigm, Inc.)		Industrials	240.0
03/11/2011	Alliance Entertainment, LLC		Private	SJ Distribution LLC	AK	Consumer	-
03/14/2011	Ryerson Inc. (Ryerson Holding Corporation)		Private	Singer Steel Company	AK	Industrials	-
03/15/2011	WESCO International Inc. (NYSE: WCC)	PGH	Public	Reco LLC		Industrials	-
03/18/2011	Leonard Green & Partners, L.P.		Financial	Jo-Ann Stores, Inc.	AK	Consumer	1,664.5
03/28/2011	International Shared Services, Inc. (Geisinger Health System Foundation)		Private	MIS Inc.	AK	Healthcare	-
03/29/2011	Merkle, Inc.		Private	IMPAQT, Inc.	PGH	Info Tech	-
03/31/2011	Calgon Carbon Corporation (NYSE: CCC)	PGH	Public	Calgon Carbon Japan KK (Mitsubishi Chemical Corporation)		Materials	17.3
03/31/2011	Quanex Building Products Corporation (NYSE: NX)		Public	Elgetech I.G., Inc. (Lauren International, Inc.)	ZAN	Industrials	103.5
03/31/2011	PNC Equity Partners	PGH	Financial	Environmental Express, Ltd. (Florida Capital Partners, Inc.)		Industrials	-

**Notes:**

Bold companies are local

Local areas include: Pittsburgh (PGH), Zanesville (ZAN), Bradford (BDF), Erie (ERIE), Johnstown (JTN), Altoona (ALT), Canton (CAN), Greensburg (GBG), New Castle (NC), Akron (AK), Steubenville (SBV), Youngstown (YTN), Cumberland (CBD), Oil City (OC), Clarksburg (CKL), Wheeling (WLG) and Du Bois (DB)

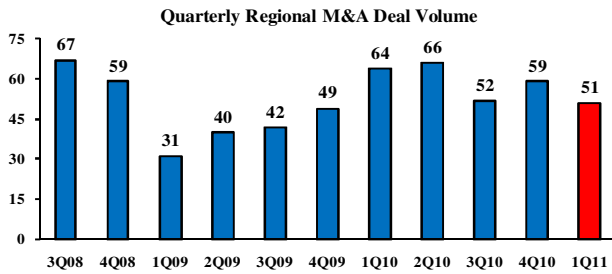
Source: Capital IQ and Strategic Advisors

**M&A Transaction Requirements:**

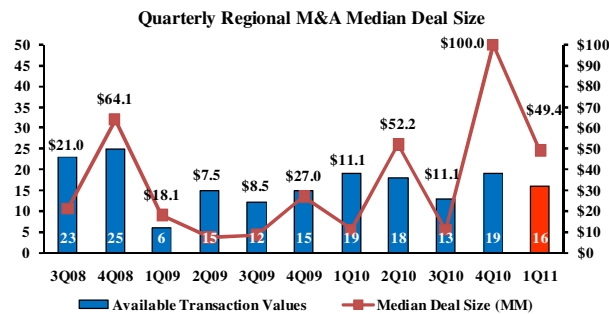
Either buyer, buyer parent, target or seller must be local, and the local participant must have purchased or sold majority control

Excluded transactions which only involved selling of real estate or facilities

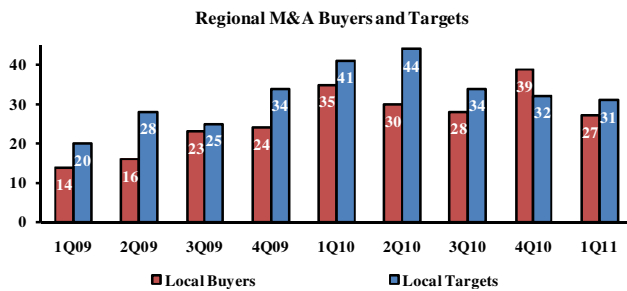
## REGIONAL 1Q 2011 M&A TRANSACTION STATISTICS



- Quarterly regional M&A volume decreased 13.6% from 59 deals in 4Q 2010 to 51 deals in 1Q 2011, and year-over-year quarterly regional M&A volume decreased 20.3% from 64 deals in 1Q 2010 to 51 deals in 1Q 2011.
- In contrast, the rolling four quarters ending 1Q 2011 had 228 deals compared to the rolling four quarters ending 1Q 2010 which had 195 (16.9% increase). This trend shows an improved M&A environment over the past 24 months.

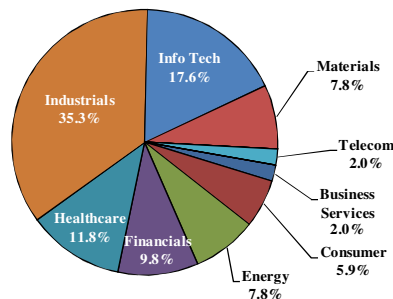


- Of the regional M&A transactions with available transaction values, quarterly median deal value decreased from \$100.0MM in 4Q 2010 to \$49.4MM in 1Q 2011; although, year-over-year quarterly median deal value increased dramatically from \$11.1MM in 1Q 2010 to \$49.4MM in 1Q 2011.
- 1Q 2011's median transaction value was the 3<sup>rd</sup> highest value over the past 9 quarters and there were three transactions > \$1.0 billion that closed during this period.



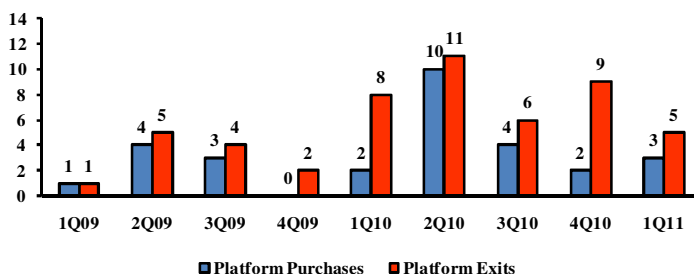
- Quarterly regional M&A transactions with local buyers decreased 30.8% from 39 deals in 4Q 2010 to 27 deals in 1Q 2011, and quarterly transactions with local targets decreased 3.1% from 32 in 4Q 2010 to 31 in 1Q 2011.
- Even though local buyers and targets showed quarterly decreases, the rolling four quarters ending 1Q 2011 compared to the four quarters ending 1Q 2010 increased dramatically with a 26.5% increase in local buyers and a 10.2% increase in local targets.

**1Q 2011 Regional M&A Target Business Sector**



- In 1Q 2011, regional M&A targets were primarily concentrated in the Industrials (35.3%) and Information Technology (17.6%) Sectors.
- However, the Energy sector stole local headlines in 1Q 2011 with two blockbuster deals, one between Chevron Corp. and Atlas Energy for \$5.5 billion and one between First Energy Corp. and Allegheny Energy for \$9.3 billion.

**Regional Private Equity M&A Activity**  
(Platform Portfolio Company Transactions Only)



- Private equity platform company purchases were up slightly from 2 in 4Q 2010 to 3 in 1Q 2011, and platform exits were down from 9 to 5 for the same periods.
- Although private equity activity appeared to cool off in 1Q 2011, the rolling four quarters ending 1Q 2011 had 19 and 31 platform purchases and exits, respectively, while the four quarters ending 1Q 2010 had only 9 and 19. This illustrates that private equity activity has increased tremendously on a year-over-year basis.

For more information, please contact any of the professionals listed below or visit our website at [www.strategicad.com](http://www.strategicad.com)

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Strategic Advisors is a middle market investment banking firm that helps clients achieve financial and business goals by providing merger and acquisition advisory, corporate finance advisory and strategic consulting services. Along with many years of experience in advising middle market clients, our Managing Directors have experience investing in and managing portfolio companies. As such, Strategic Advisors not only has expertise in advisory services but also firsthand knowledge of what stakeholders, investors and lenders expect and desire.

When considering a sale of your business, the acquisition of a business, or the restructuring or recapitalization of your balance sheet, the best pathway for achieving your expectations is a well-run sale process that addresses all your personal and business goals. Strategic Advisors is accustomed to working with business owners to determine the best pathway to achieve their goals and objectives. Give us a call to discuss your possibilities.



A portfolio company of



**FETTEROLF GROUP, INC.**

has been acquired by



and



The undersigned acted as financial advisor to the shareholders of Pyott-Boone Electronics, Inc.



An affiliate of BPU Investment Management, Inc.  
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April 2011

## April 2011 Transaction Closing Announcement Sell-Side Advisory

Strategic Advisors, Inc. is pleased to announce the closing of the sale of Pyott-Boone Electronics, Inc., a portfolio company of Fetterolf Group, Inc., to Vierville Capital, LLC and Prairie Capital, L.P. in April 2011. Strategic Advisors served as exclusive sell-side advisor to the shareholders of Pyott-Boone.

Please visit our website to read the full article:  
[www.strategicad.com](http://www.strategicad.com)