



FOR IMMEDIATE RELEASE:

## **Blackford Capital Acquires Custom Profile, Inc.**

*Adds Michigan-Based Leader in Extruded Plastic Products*

**GRAND RAPIDS, MI, August 21, 2012** – Blackford Capital, a national private equity firm headquartered in Grand Rapids, MI that acquires, manages and builds middle-market manufacturing, distribution and service companies, announces the acquisition of Custom Profile, Inc., a leading manufacturer of extruded plastic products primarily for the appliance and office furniture industries.

Custom Profile, based in Grand Rapids, MI, currently employs 165 people and also operates a facility in Mexico. The company's primary customers included Herman Miller, Haworth, Steelcase, Electrolux, and Whirlpool. The company was founded in 1992 and has experienced tremendous growth both locally and with customers throughout North America.

"Custom Profile is unique in its advanced engineering and tooling capabilities, its efficient operations, and its strong management team," said Martin Stein, Founder and Managing Director of Blackford Capital. "The company has consistently outperformed the industry, exhibiting year over year growth in both revenue and earnings in 18 out of their 20 years in operation. Blackford's goal is to build on this tremendous success, expanding the company and creating jobs in West Michigan."

Blackford Capital reviewed roughly 6,500 transactions last year with the goal of closing four to six deals per year. Blackford has closed 25 transactions in the past five years. Custom Profile is Blackford's seventh portfolio company, and it's first in Michigan. The firm's investment criteria include mature, profitable businesses with revenues between \$20 million and \$100 million and with management teams that are either willing to remain with the company, or are seeking to retire or exit.

"Custom Profile has been an exceptional West Michigan-based company for 20 years," said Sam Nicholas, founder, President and CEO of Custom Profile. "We have built a solid reputation supplying many other Michigan-based companies. We believe Blackford Capital has the vision and resources to build upon that reputation and accelerate our growth."

Blackford Capital will be implementing a Board of Directors and employing two Operating Partners to help support the management team and the growth of the business. The vast majority of these individuals represent Michigan talent and experience. Sam Nicholas will remain in his role as President and CEO, as will the rest of the highly experienced management team. Mercantile Bank of Michigan and Convergent Capital Partners assisted in the financing of the transaction.

Custom Profile's Board of Directors will consist of: Larry Miller, CEO of Kent Design; Brett Bolt, President / COO at Nexion; Jack Kolodny, Blackford Operating Partner and Board member at various portfolio companies; Bill Boer, President of Grey Dunes consulting; Terry O'Rourke, President of Aspen Surgical, Jeff Helminski, Vice President of Campus Village Communities; John Mason, Managing Partner at Convergent Capital Partners; Thomas Loszer, Board Member

at Looser Holding; Sam Nicholas of Custom Profile, Inc.; and Martin Stein, Managing Director of Blackford Capital.

Custom Profile will be the first company in Blackford's recently created Michigan Equity Investment Fund. This fund aims to generate meaningful equity returns for investors within the state of Michigan, and also to support the local economy by protecting and creating jobs locally.

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#### **About Blackford Capital**

Blackford Capital is a private equity firm based in Grand Rapids, MI, that acquires, manages and builds middle-market manufacturing, distribution and service companies, with seven portfolio companies operating in 13 states employing more than 950 people and with combined revenues of approximately \$225 million. Blackford has offices in Grand Rapids, MI (headquarters) and San Francisco, CA. For more information, visit [www.blackfordcapital.com](http://www.blackfordcapital.com).

#### **About Custom Profile**

Custom Profile is a leading manufacturer of plastic profile extruded products primarily for the office furniture, appliance, and point-of-purchase end markets. The Company has diverse and flexible manufacturing capabilities with the ability to satisfy a variety of customer demand requirements from two locations: its headquarters in Grand Rapids, MI and another manufacturing facility in Juarez, Mexico. Custom Profile currently ranks 89<sup>th</sup> on *Plastics News*' list of the top 100 Pipe, Profile & Tubing Extruders in the U.S. For more information, visit [www.custom-profile.com](http://www.custom-profile.com).

#### **About Convergent Capital Partners**

Convergent Capital is an investment company that provides unique, responsive, and flexibly structured capital to assist in the growth and/or acquisition of businesses committed to long-term, sustainable growth in a broad range of industries. Convergent is focused on providing debenture and equity capital investments in a variety of situations, structuring investments around recapitalizations, sponsored buyouts, management buyouts, consolidations and add-on financings to our existing portfolio companies for acquisitions or other special situations.

#### **About Mercantile Bank of Michigan**

Mercantile Bank of Michigan was founded in 1997 by Directors and Bankers who firmly believe that customers, employees, and the communities they live in, are best served by financial institutions with local roots. At Mercantile Bank, we use our local Directors, our commitment to the community, and our knowledge of Michigan to enable us to deliver our services in a way that truly sets us apart from our competitors. We believe mutually beneficial relationship banking, on both the consumer and corporate levels is key to strengthening the communities we serve.

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