



Charter Oak Equity and its predecessor funds have invested in private equity since 1992. We focus on niche manufacturing, packaging, medical products & services, specialty chemicals, consumer products and financial services companies ranging in size from start up to \$150 million enterprise value. To date, over \$500 million in control-oriented capital has been invested in 27 portfolio companies through over 50 acquisitions.

**Related Entities:** [Charter Oak Partners](#)

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Charter Oak Equity, LP (COE) was formed in 2006. The firm invests in niche manufacturing, packaging, medical products & services, and financial services companies with enterprise values up to \$150 million.

The general partners average over 10 years of private equity experience having previously worked together at Charter Oak Capital Partners. Prior to joining Charter Oak, the partners developed deep operational, financial, and consulting expertise which COE brings to bear in support of our companies. COE always seeks to partner with management to improve growth and profitability, and where appropriate, we take active line roles on a temporary basis. The general partners have personally invested in all of the Firm's transactions.

Currently, COE has nine companies in its portfolio: five are control-oriented buyouts and four are growth capital investments. COE's most recent investments are a late stage investment in Cytopherx (9/11), a producer of leukocyte-deactivating dialysis filters, and a buyout of ShelterLogic (8/11), a manufacturer of outdoor canopies and garage shelters. Interactive Diagnostic Imaging (12/10) is an early stage dental company producing portable devices. Axiomed (7/10) is a producer of next generation spinal implants. CoMc (12/09) is a manufacturer of innovative tile flooring systems. Brook & Whittle (2/09) is a printer of high-color pressure-sensitive and shrink sleeve consumer product labels. Milwaukee Gear (7/08) is a specialty gear manufacturer and heat treat service provider serving the industrial and wind turbine markets. Cirtec Medical Systems specializes in outsourced design and manufacturing services for neuro-stimulation and cardiovascular devices. It was formed from the merger of Circle Medical Devices (3/08) and Texcel (1/07). Parish Pay and Smart, providers of tuition and parish collections services, were acquired and merged in 2006.

The partners also manage three legacy investments from predecessor funds: Daisy Manufacturing Company, the leading producer of BB guns and airguns; Sinteris, a maker of powdered metal custom parts for industrial applications; and Ovation Polymers, a producer of high performance conductive resins.



Maintain Consistent  
Investment Focus



Drive Business Growth  
and Value Creation



Capture Value through  
Successful Exit

Charter Oak has generated strong returns for its limited partners through our commitment to our principles:

- Maintain a consistent focus on companies that meet our [Target Company Profile](#)
  - Invest in target industries only
  - Growth-oriented companies with proprietary product, service or technology
  - Up to \$20 million EBITDA with good margins
- Drive Business Growth and [Value Creation](#)
  - Focus both on top line growth and margin improvement
  - Utilize our extensive in-house operating expertise
  - Partner with our management teams
- Capture value through a [Successful Exit](#) to the right buyer
  - Leverage knowledge of key strategic and financial players in our target markets
  - Expand sale multiple through growth and profit improvement

## Target Company Profile

Charter Oak Equity will make control-oriented investments in small to middle market companies, ranging in size from \$20 million to \$150 million of enterprise value, and will target privately-held, often family-owned companies or non-core divisions of larger companies.

Small- to mid-sized market companies represent a very large market estimated to comprise over 10,000 companies. These businesses provide opportunity for significant improvement in operating performance and strategic development as the management team is often home-grown and sometimes lacking in sophisticated management techniques. Often smaller companies operate in large markets and, due to their relatively small market shares, have potentially huge growth prospects but are limited by their inability to finance growth. Partnering with COE can present a substantial growth opportunity for such companies.

Specific target industries include:

- Packaging
- Specialty Industrial
- Pharmaceutical-Related
- Medical Products
- Consumer Goods
- Insurance Services
- Specialty Financial Services

In addition to company size and industry, there are other key investment criteria that must be met before COE will invest in a company. First, the company's products or services must be well established in its market. The product or service should be viewed as proprietary, providing the company with a sustainable competitive edge in utility or cost. The company must exhibit the potential for significant growth by leveraging the potential of its products or services and/or by consolidating a highly fragmented market. Finally, the company should demonstrate that it possesses a strong management team capable (with financial assistance) of growing the company both organically and through acquisitions.

## Value Creation

Charter Oak Equity's General Partners have extensive, hands-on experience in both operating companies and executing financial transactions. Our extended team includes our Executive Partners, who are a group of retired senior executives with decades of senior level management experience across a variety of industries. They assist us with due diligence and serve on our Boards of Directors. The General Partners and Executive Partners work closely with our Management Teams, who best know the company, to build value for our investors.

The first step in this process is the creation of an Investment Thesis that is created during the acquisition phase of our involvement and developed with the Management Team. The Investment Thesis is a road map for growth, value creation and the exit strategy. It sets key measures and goals for the company and defines investment criteria consistent with growth plans, including capital expenditures and capital for acquisitions.

During the initial acquisition phase, we invite the Management Team to invest in equity along side COE and develop a stock option incentive program with them to ensure that our interests are properly aligned and enabling them to participate in the success of their company.

Once COE invests in a company, the focus immediately shifts to building value. The first step in this process is to form the Board of Directors, whose members will have been identified during the due diligence process. The Board of Directors addresses strategic issues, monitors and checks progress, and reviews major opportunities that develop.

COE relies on the Management Team to manage day-to-day operations. The General Partners, along with Board members, work with the Management Team to quickly optimize business performance. Often small companies have great potential for rapid cost reduction and working capital improvement by implementing sophisticated management techniques. Best practices in purchasing, manufacturing, quality, customer service and logistics introduced by the COE team may significantly reduce costs without risk to the business. Programs such as these are easier to implement in small companies where there are fewer employees, operations, facilities, vendors and customers impacted. Utilizing these best practices can deliver big payoffs as cash generated reduces outstanding debt and/or provides borrowing capacity for capital expenditures and other cash needs.

A key element of our value build strategy is to further grow our companies through add-on investments. We work to identify optimal acquisition targets and assist in the merger integration process.

With a refined business strategy and efficient cost structure in place, incremental revenue generates a substantially higher contribution margin and the bottom line grows faster, on a percentage basis, than the top line. As a result, company enterprise value is greatly enhanced through higher profitability and accelerated paydown of debt.

## Successful Exit

Charter Oak Equity will seek to identify attractive exit opportunities by growing small- to mid-sized companies into high-quality, middle-market companies with a number of potential exit options: sale to strategic buyer, sale to management or to a financial buyer or, in some cases, an initial public offering. As part of our Investment Thesis COE will develop a preliminary exit strategy, identifying logical strategic and financial buyers and determining whether an IPO may be feasible. The Management Team participates in this planning and the strategy is constantly monitored throughout the ownership period.

COE expects that its typical ownership period of an investment will be four to six years. The timing of an exit will depend on many factors, including the health of the market, the company's future enterprise value growth outlook versus the value already attained and, more often than not, an interested suitor willing to meet the valuation target.



# Charter Oak Equity

*“ It is great working with Charter Oak. They are not just finance guys - they really understand what it takes to build a successful business through first-hand experience.”*

Steve Stewart, CEO  
Brook & Whittle



**AxioMed**  
Garfield Heights, OH  
**2010 Late Stage investment**

Producer of next generation lumbar and cervical spine implants  
[www.axiomed.com](http://www.axiomed.com)



**Brook & Whittle, Ltd.**  
North Branford, CT  
**2009 Buyout with management**

Printer of pressure-sensitive and shrink sleeve labels for consumer products.  
[www.brookandwhittle.com](http://www.brookandwhittle.com)



**Cirtec Medical Systems**  
East Longmeadow, MA  
**2007 Buyout and Merger of two companies**

Provider of outsourced design and manufacturing services for neuro-stimulation and cardiovascular devices.  
[www.cirtecmed.com](http://www.cirtecmed.com)

**CoMc, LLC (dba Snapstone)**  
Omaha, NE  
**2010 Early Stage investment**

Manufacturer of floating tile systems for DIY consumers



and professional builder markets.

[www.snapstone.com](http://www.snapstone.com)



**CytoPheryx, Inc.**

**Ann Arbor, MI**

**2011 Late Stage Investment**

Manufacturer of leukocyte-deactivating dialysis filters

[www.cytopherx.com](http://www.cytopherx.com)



**Interactive Diagnostic Imaging, Inc.**

**Marietta, GA**

**2010 Early Stage investment**

Provider of low radiation and portable dental x-ray devices

[www.idixray.com](http://www.idixray.com)



**Milwaukee Gear Company**

**Milwaukee, WI**

**2008 Buyout**

Manufacturer of large industrial gears and heat treat services for oil & gas, HVAC & refrigeration, compressors & pumps and wind turbine markets.

[www.milwaukeegear.com](http://www.milwaukeegear.com)



**ShelterLogic, Inc.**

**Watertown, CT**

**2011 Buyout**

Manufacturer of outdoor canopies and garage shelters

[www.shelterlogic.com](http://www.shelterlogic.com)



**Smart, LLC**

**New York, NY**

**2006 Buyout and Merger of two companies**

Provider of tuition and parish billing and collections services.

[www.smarttuition.com](http://www.smarttuition.com)

**Also managed by Charter Oak Equity:**



**Daisy Manufacturing Company, Inc.**

**Rogers, AR**

**1993 Buyout**

Oldest and best known manufacturer of air gun and BB gun products and accessories.

[www.daisy.com](http://www.daisy.com)



**Ovation Polymers, Inc.**

**Medina, OH**

**2004 Early Stage investment**

Manufacturer of high performance, nanoparticle-based conductive resins

[www.opteminc.com](http://www.opteminc.com)



**Sinteris, Inc.**

**Blenheim, Ontario**

**2003 Buyout**

Manufacturer of custom-engineered powdered metal parts for the automotive and other industrial markets.

[www.sinteris.ca](http://www.sinteris.ca)



*“ I have been associated with Charter Oak as a Director of four of their companies since the nineties. It has always been a relationship of which I am proud. The partners of the firm are people of integrity, competence and loyalty to all of their constituencies.”*

Richard W. Hanselman,  
Former Executive Partner  
Chairman of the Board,  
Health Net, Inc.



**Brass Eagle, Inc.**

**Rogers, AR**

**Ownership Period:** 1994 - 2003

Largest manufacturer of paint ball products and accessories in the world; spun off from Daisy Manufacturing Company in 1997 in an IPO.

**GEO Specialty Chemicals, Inc.**

**Cleveland, OH**

**Ownership Period:** 1997 - 2002

Specialty chemical manufacturer for the water treatment, construction, electronic materials industries.

**Globe Tool and Manufacturing, Inc.**

**Minneapolis, MN**

**Ownership Period:** 1992 - 2000

Deep-drawn titanium parts, such as pacemaker and defibrillator casings, for medical implant companies.

**Integrated DisAbility Resources, Inc.**

**Bloomfield, CT**

**Ownership Period:** 2001 - 2004

Provider of disability insurance services, including underwriting, claims management, reinsurance and policy administration.

**ITM, LLC****Grand Rapids, MI****Ownership Period:** 1998 - 2001

Aluminum die-caster for automotive industry.

**Metachem Products, LLC****Newark, DE****Ownership Period:** 1998 - 2002

Specialty chemical manufacturer for pesticide industry.

**Metal Powder Products, LLC****Indianapolis, IN****Ownership Period:** 1998 - 2005

Custom engineered powdered metal parts for automotive, lawn &amp; garden, and industrial equipment industries. Merged into Revere Industries, LLC in 2005.

**Pasta Montana, LLC****Great Falls, MT****Ownership Period:** 1996 - 2000

Pasta manufacturer and packager.

**Revere Industries, LLC****Clayton, NJ****Ownership Period:** 2000 - 2005

Processor of light gauge rolled aluminum and stamper of aluminum and plastic packaging products. Merged into diversified Revere Industries, LLC in 2005.

**Revere Industries, LLC****Clyde, OH****Ownership Period:** 2005 - 2009

Industrial manufacturing conglomerate formed from the 2005 merger of four of Charter Oak Capital Partners' investments – Metal Powder Products, Ross Aluminum Foundries, Titan Plastics and Revere Industries.

**Ross Aluminum Foundries, LLC****Sidney, OH****Ownership Period:** 2000 - 2005

Aluminum foundry for heavy duty truck and aerospace industries; largest non-captive manufacturer of cold-side turbochargers in the world. Merged into Revere Industries, LLC in 2005.

**Simcala, Inc.****Mt. Meigs, AL****Ownership Period:** 1995 - 1998

High-grade silicon products for industrial use.

**Stealth Medical Technologies, LLC**

**Holt, MI****Ownership Period:** 2000 - 2005

World leader in near-net forging of exotic alloys for the orthopedic implant industry.

**Titan Plastics Group, Inc.****Kalamazoo, MI****Ownership Period:** 1995 – 2005

Custom engineered injection-molded plastic parts for large appliance, lawn &amp; garden, and automotive industries. Merged into Revere Industries, LLC in 2005.

**York Insurance****York, ME****Ownership Period:** 1994 - 1997

Regional property &amp; casualty insurance provider.



**PAUL E. ROUGHAN**  
*Managing Partner*

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Mr. Roughan graduated from Rensselaer Polytechnic Institute in 1978 where he earned both his B.S. in Chemical Engineering and MBA in Operations Research in four years through an accelerated program.

From 1978 to 1989, he worked for General Electric in operating management positions for the GE Plastics Division and in various Finance and IT management



**ZUBIN AVARI**  
*General Partner*

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Mr. Avari graduated Magna Cum Laude from Illinois Wesleyan University in 1995 with a B.S. in Accounting. He received his Certified Public Accountant (CPA) Certificate in 1995.

From 1995 to 1998 Mr. Avari worked with Crowe Chizek and Company, LLP in a number of departments, gaining tax, audit and mergers and acquisitions experience.



**MARK D. ULLMAN**  
*General Partner*

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Mr. Ullman completed a five-year program at Cornell University, which earned him a B.S. in Operations Research in 1982 and an M.B.A in 1983; both degrees earned With Distinction.

Mr. Ullman worked with McKinsey & Co. from 1983 to 2000, where he co-led the Corporate Finance Practice which supports clients' M&A activities; founded the global practice that provides due diligence and

positions for GE Corporate. From 1990 to 1995, he worked for McKinsey & Company, specializing in operations improvement and post-merger integration consulting. In 1995, he joined UARCO, a \$700 million business forms company, as Senior Vice President overseeing the company's turnaround efforts. He led the sale process and successfully sold the company in 1997 through three transactions. In 1998, he became CEO and President of Appliance Corp. of America, a \$100 million marketer of small kitchen appliances. He led the sale process and successfully sold the company in 1999 through two transactions.

Mr. Roughan joined Charter Oak in July 1999 and became Managing Partner in 2006. He currently serves on the Board of Directors for Daisy, Milwaukee Gear, Brook & Whittle, Ovation Polymers, Interactive Diagnostic Imaging, and CoMc.

Mr. Avari joined Charter Oak in October 1998 and has worked very closely with a number of portfolio companies, including serving as temporary CFO at two of the companies. Mr. Avari is also responsible for structuring and negotiating all debt tranches for the portfolio companies. He currently serves on the Board of Directors for Cirtec Medical Systems, Brook & Whittle, Sinteris, and ShelterLogic.

post-closing strategic and operating improvement services for buyout firms; founded the Medical Devices Practice; and helped a variety of North American and European industrial and healthcare product manufacturers improve their operating performance. He left McKinsey in 2000 to join TradeOut, Inc., a B2B marketplace for excess inventory and off-lease assets. He first headed Strategy and Business Development and later served as the President and Co-CEO. In 2001, Mr. Ullman sold TradeOut to DoveBid, a larger, off-line competitor.

In 2002, Mr. Ullman established Clearview Associates as a private equity investing and consulting firm. In 2003, Mark committed part of his time to Charter Oak Capital Partners as an Operating Partner and also served as an Operating Partner at First Atlantic Capital, and as Advisory Board Member of Arcadia Partners. In 2006, Mark joined Charter Oak full time. He currently serves on the Board of Directors of Smart, CoMc, Interactive Diagnostic Imaging, CytoPherx and ShelterLogic.



Advisor	Industry Focus	Relevant Experience
David Charles	Metals General Industrial	CEO - Revere Industries LLC SVP - Aleris International
Larry Derose	Medical Devices Medical Engineering	Founder & CEO - Texcel Group Co-founder & President - EBTEC Corp.
Jeffrey Hoos, DMD	Dental	President, Novadent Ltd. Key Opinion Leader and lecturer
Steve Noe	Chemicals General Industrial	CEO - Sportexe Construction Services General Manager - Olin Urethanes
Dan Pitkowsky	Medical & Dental Devices Printing	CEO & President - Imtek LLC General Manager - Cadent Inc.



*“ I have had the pleasure of working with the Charter Oak group since 2006. Most impressive is their integrity. We have developed a terrific partnership that is based on mutual trust and respect, and they always do what they say they are going to do. Their involvement has resulted in the best years in our company history.”*

Larry Derose, CEO  
Texel Medical Devices  
and Cirtec Medical Systems



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