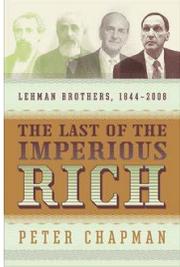


The Powell 50 Report Q2 2011

The Powell 50 Report is an exclusive quarterly report documenting the activities of those whom we believe to be Georgia's 50 most accomplished investment banking firms, intermediaries and private equity firms.

Best Read of the Quarter



The Last of the Imperious Rich
By: Peter Chapman

Henry Lehman arrived in New York on a ship from Europe on September 11, 1844. Soon after, Lehman boarded a ship bound for Mobile, AL where he traveled inland to Montgomery. Lehman quickly became an experienced “peddler”, trading mainly agricultural goods. He bartered, he dealt – skills that he had brought with him from the Bavarian countryside. The farmers he dealt saw Lehman as a fair man. They paid in cotton. The origin of the business that eventually became Lehman Brothers was solid practical goods that you could see and touch. I recommend this book because of its emphasis on the early years of Lehman Brothers, and the juxtaposition of the basic tangible trading of its infancy and the eventual transition to more ambiguous products such as CDOs.

Useful Resource of the Quarter

CompanionWay Capital, LLC

Businesses that maintain material inventory, equipment and other assets are experiencing difficulties obtaining financing. For that reason, The Batten Group of Companies recently announced the formation of CompanionWay, a joint venture between Batten and Anchor Capital Resources. CompanionWay will bring capital to middle-market companies through loans secured by inventory, equipment and/or other assets. The principals of CompanionWay are Tom Minick, Johnny Chee-How, Joe Upson and David Teszler. The firm will be located in Atlanta and will target loans ranging in size from \$500,000 to \$5,000,000. We have had positive experiences with the principles of Companionway and recommend them as a creative lending resource. Tom Minick can be reached at tminick@battencapital.com or 678-596-6014.

The following list represents only the *Powell 50* firms with transaction activity reported to PGC during the quarter.

Firms with no activity reported to PGC were not included.

For a full list of all *Powell 50* firms or an electronic copy of *The Powell 50 Report* please visit www.powellgrowthcapital.com

Georgia Private Equity Activity (Private Equity firms either headquartered or with offices in Georgia)

Firm Name	Q2 2011 Activity
Arcapita	May 2011: Arcapita has completed the acquisition of a majority stake in J. Jill, a leading multi-channel specialty retailer of women's apparel based in the US. J. Jill maintains a prominent and valuable brand footprint through 225 retail stores across the United States.
Croft & Bender LLC	May 2011: C&B Capital's portfolio company, PeopleMatter, completed a \$7.2 million Series B funding. The round was led by Noro-Moseley Partners, with participation from previous investors, C&B Capital, Intersouth Partners, and Harbert Venture Partners. PeopleMatter, the fastest growing talent management provider for the service industry, will use the proceeds to expand sales and marketing, to fuel an active product pipeline, and to invest in operations and customer service. May 2011: C&B Capital made an investment in Brand Group Holdings, Inc., the \$1.3 billion holding company for The Brand Banking company, a full service bank operating in Gwinnett County, GA and North Metro Atlanta. The Company closed on \$125 million of a \$200 million capital commitment in an effort led by The Carlyle Group, The Stephens Group, Nonami Investments, C&B Capital, and others.
Fulcrum Ventures	June 2011: Regenesys Biomedical, Inc., a medical technology company that markets the Provant® Therapy System, announced today the closing of a \$5.3 million Series C equity financing. The financing was led by Fulcrum Equity Partners and TGap Ventures, and includes existing investor Solstice Capital.
HIG Ventures	June 2011: H.I.G. Capital announced that its portfolio company Vaupell Holdings, Inc. has acquired Russell Plastics Technology Company, Inc, a supplier of composite plastics products and assemblies serving primarily the aerospace and military markets. May 2011: NovaMed, Inc., a leading operator of ambulatory surgery centers in partnership with physicians, announced the completion of its previously announced merger with Surgery Center Holdings, Inc. (“Surgery Partners”), with NovaMed continuing as a wholly owned subsidiary of Surgery Partners. April 2011: H.I.G. Capital announced today the sale of Allegient Systems, Inc to Bottomline Technologies, a leading provider of collaborative payment, invoice and document automation solutions. April 2011: H.I.G. Capital announced that its portfolio company, National Asset Recovery Services, Inc., has acquired Integrity Financial Partners, a leader in third-party debt collection services. Integrity is a leading accounts receivable management firm with a diverse, blue chip client base.

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April 2011: Charlesbank Capital Partners and H.I.G. Capital are pleased to announce the sale of their interest in Vision Source, a division of portfolio company TLC Vision, to an investor consortium led by Brazos Private Equity Partners. Charlesbank and H.I.G.'s stake in Vision Source was acquired as part of their purchase of Minneapolis-based TLC Vision in May 2010.

MSouth Equity Partners **May 2011:** MSouth Equity Partners announced the closing of its newest investment. In partnership with management, Triangle Capital Partners and Prospect Capital, MSouth completed a recapitalization with Fischbein, LLC, a manufacturer of sewing, sealing, hot air, gluing, and bag handling systems.

Noro Moseley **May 2011:** PeopleMatter, the fastest growing talent management provider for the service industry, announced it has secured \$7.2 Million in Series B funding. The round was led by Noro Moseley Partners, with participation from previous investors C&B Capital, Intersouth Partners, and Harbert Ventures.

April 2011: Alliance Oncology, a division of Alliance HealthCare Services, Inc. (NYSE:AIQ) announced today that it has acquired US Radiosurgery, LLC, a stereotactic radiosurgery provider based in Nashville, TN

April 2011: Verisk Analytics, Inc. (Nasdaq:VRSK), a leading source of information about risk, announced today it has closed its acquisition of Bloodhound Technologies, Inc., a premier provider of real-time pre-adjudication claims editing for healthcare payers. Based in Durham, North Carolina, Bloodhound customers include commercial health plans, state Medicaid agencies, and third-party administrators.

April 2011: Liaison Technologies, a global provider of cloud-based integration and data management services and solutions, has acquired nuBridges Inc., a leader in enterprise data security, managed file transfer, B2B integration and compliance management. The acquisition will enable new solutions to help businesses move, transform and manage sensitive data securely, quickly and cost-effectively across systems and organizations behind the firewall or in the cloud.

Riverside Capital **June 2011:** The Riverside Company further expanded ActivStyle, its consumable medical products retailing platform, with the add-on acquisition of Home Wellness, Inc. & Stay Dry Products, Inc. Based in Cinnaminson, New Jersey, Home Wellness is a specialty distributor of catheters and incontinence supplies.

June 2011: The Riverside Company has added Alliance1 to its platform company Express Courier (ECI). Both companies provide time-sensitive regional delivery services in the Southeast United States. Both Alliance1 and Express are headquartered in central Tennessee.

May 2011: The Riverside Company agreed to acquire Reima Oy, a leading children's wear brand in Northern Europe, known for high-quality outdoor clothing, and selling under the brands Reima, Lassie, Tutta and Progress. Riverside will acquire Reima from Finnish private equity firm Vaaka Partners and the management team, who will invest alongside Riverside in this transaction and remain with the company.

Roark Capital Group **June 2011:** Roark Capital Group announced that its affiliates have acquired Il Fornaio (America) Corporation, owner of Corner Bakery Cafe and Il Fornaio Restaurants and Bakeries.

Georgia Investment Banking/Intermediary Activity (Firms either headquartered or with offices in Georgia)

Firm Name	Q2 2011 Activity
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Abraxas Business Services	May 2011: Abraxas Business Services, Inc. advised Stag Roar, LLC in its acquisition of Southeastern Board, Inc. Stag Roar, LLC is a private investment company, headquartered in Atlanta, Georgia, and focused on the acquisition of smaller middle-market manufacturing operations. Southeastern Board, Inc. is a niche manufacturing operation, located in Carrollton, Georgia, targeting the bedding industry.
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Brookwood Associates	Q2 2011: Brookwood Associates advised Thompson Industrial Services, LLC in its recapitalization with MSouth Equity Partners and BB&T Capital Partners. Thompson is a market leading provider of mission critical outsourced services to over 275 industrial facilities located throughout the Southeastern and Midwestern United States.
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Cary Street Partners	June 2011: Cary Street Partners raises \$12 million for Richmond-based Recast Energy. Richmond-based Recast wants to put its freshly raised \$12 million to work by building new biomass power plants.
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FIG Partners	June 2011: Los Angeles-based RBB Bancorp unit Royal Business Bank (\$309.2 million) announced that it signed a definitive agreement to acquire Oxnard, Calif.-based Ventura County Business Bank (\$80.5 million). Ventura County is being advised by FIG Partners.
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Flock Advisors	June 2011: Flock Advisors is pleased to announce its successful recapitalization of The CMI Group, Inc., a collection agency based in Carrollton, Texas.
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Focus LLC	June 2011: FOCUS initiated the transaction, assisted in the negotiations, and acted as financial advisor to PositiveID Corporation in the acquisition of MicroFluidic Systems, a leader in biological testing and sample prep applications.
	June 2011: FOCUS represented Independent Fiduciary Services, Inc in its acquisition by Arthur J. Gallagher & Co.
	May 2011: FOCUS initiated the transaction, assisted in the negotiations, and acted as financial advisor to Drain-All, Inc., of Knoxville, Tennessee, a manufacturer of unique solutions for draining and handling liquids that are considered to be “green investments” to their energy saving characteristics.
	April 2011: FOCUS initiated the transaction, assisted in the negotiations, and acted as financial advisor to Core180 Inc., a Fairfax, Virginia-based telecom network integrator providing wide area networks and management services to government agencies, large enterprises, telecom carriers, and systems integrators.
Linch Capital Advisors	June 2011: Linch Capital acted as lead advisor and completed a capital raise for Half Off Depot. Half Off Depot sells merchant gift certificates at a deep discount through Facebook and its virtual shopping mall.
Mazzone & Associates	May 2011: Mazzone & Associates, Inc. advised MVP Group International in its acquisition of the Midwest-CBK business of Blyth Inc. MVP Group is a complete home fragrance company that designs, manufactures and markets various private label and branded candles and home fragrance products.
Summit Acquisitions	June 2011: Harris Interactive Media, Inc., a leading provider of variable data direct mail, print-on-demand, commercial and digital printing, mailing, fulfillment, and data management services, has merged with Bennett Brothers Printing Co., Inc., also a leading provider of digital and commercial printing, mailing, and fulfillment services. Summit Acquisitions Group acted as advisor to Bennett Brothers Printing.
TM Capital	April 2011: TM Capital is pleased to announce that it has advised ECI Group, Inc. in its joint venture recapitalization with AREA Property Partners. TM Capital assisted ECI Group in strategically recapitalizing a portfolio of 10 multifamily assets, totaling \$208 Million.
	April 2011: TM Capital advised the Special Committee of the Board of Directors of Deerfield Capital Corp. (NASDAQ) regarding its acquisition of Commercial Industrial Finance Corp.
	May 2011: TM Capital advised PASSUR Aerospace, Inc. in connection with a private placement of common stock.
VRA Partners	June 2011: VRA Partners, LLC is pleased to announce that Cirrus Industries, Inc. has been acquired by China Aviation Industry General Aircraft Co., Ltd. VRA Partners acted as the exclusive financial advisor to Cirrus for this transaction.

Powell Growth Capital is the result of four generations dedicated to building businesses. PGC specializes in growing privately owned companies with beginning EBITDA of \$500,000 - \$2,000,000. Post-close, we partner with experienced chief executive officers and provide them with the resources they need in order to produce significant organic growth. We purchase businesses that meet the following criteria:

- Within a 2 hour driving radius of Atlanta
- 500,000 - \$2,000,000 in EBITDA;
- Traditional (low technology) Industries
- No start-ups
- Control positions
- Proven/Profitable



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