

## Brookwood Advises on Sale of Division of Thompson Industrial Services, Inc.

We are pleased to announce that Brookwood Associates advised the shareholders of Thompson Industrial Services, Inc. (“TIS”), on the sale of its Industrial Cleaning Services division (the “Division”) to BB&T Capital Partners, LLC and Parkway Capital Investors, LLC. The Division provides an array of technical, outsourced industrial cleaning services such as large volume water blasting, chemical cleaning, ultra-high pressure water blasting, and industrial vacuuming. It enables its customers, primarily Fortune 500 companies in a variety of process industry sectors, to realize maximum efficiency with minimum downtime with less capital investment and overhead costs. The Division is the market leader in the southeastern U.S., serving thirteen states from a network of regional offices, utilizing a large, valuable fleet of specialized industrial cleaning equipment and a highly trained workforce of 300 employees.

Shareholder objectives included achieving terms that reflected the strong value built over seventeen years in growing the Division to a market-leading position. Also, both shareholders and management sought a structure that would allow the Division to take advantage of substantial growth opportunities.

**Effective Positioning** – The Division was positioned through: (a) emphasizing the company’s industry leadership, including the presentation of a detailed analysis of the market opportunity by sector, (b) demonstrating the recurring nature of revenues, (c) communicating a credible growth plan given significant capital investment requirements, (d) showcasing operational strength in fleet management and organizational integration across several branch office locations, and (e) highlighting the specialized technical skill and equipment required to serve a niche account base.

**Strong Marketing, Qualification, and Negotiation Processes** – Brookwood efficiently communicated with and qualified the most attractive candidates to meet with management, resulting in several compelling offers for the Division. Working with management, we selected the best potential buyers, considering valuation, offer structure, financing, closing risk, and fit. Finally, Brookwood negotiated improvements in the offer terms to best capture the appropriate value for this growing business, and worked closely with the Company and its legal advisor to close a complicated carve-out transaction.

**Successful Management of Carve-out Sale Transaction** – Brookwood effectively analyzed and presented the standalone profitability of the business. Significant client support during the final diligence and documentation processes was also provided.

**Attractive Result** – The Brookwood process yielded attractive choices from both strategic and financial buyers. Our client was able to realize: (i) a strong valuation, (ii) added capital resources to support an array of growth opportunities, (iii) net worth diversification and liquidity combined with the retention of a significant stake in the new company to benefit from future growth, and (iv) opportunities for management to hold key leadership positions in the new company.



*“Brookwood ran a disciplined process with high attention from the Managing Director. They managed a complicated transaction very effectively. Most importantly, the result greatly exceeded my expectations.”*

**- Greg Thompson,  
Chairman, CEO, and  
majority stockholder  
Thompson Industrial  
Services**