

“Husch Blackwell has been an excellent partner over the years, so there was no question this deal would be entrusted to the firm’s care. We were confident Jack Enea and his team would deliver the desired results—and they did.”

— Tom Nye, Director, Generation Growth Capital



HUSCH BLACKWELL FACILITATES ACQUISITION OF HARRELL'S CAR WASH SYSTEMS INC.

Small businesses, given essential capital and professional resources, can achieve higher growth rates and profitability. Generation Growth Capital Inc. focuses on investing in those businesses to support ownership transition and growth opportunities. The Milwaukee-based lower-middle market buyout fund has a team with more than three decades of investment experience closing transactions in a wide range of industries.

In 2016, Generation Growth Capital began raising capital for its third fund in less than 10 years, with plans to raise \$50 million to finance many of its future acquisitions. After its first close of \$29.3 million in late 2016, the fund already had its sights on Indianapolis-based Harrell's Car Wash Systems Inc.

Harrell's, founded nearly 40 years ago as a car wash, is now one of the nation's largest distributors of car wash systems and supplies. It provides site evaluation, design and development assistance, equipment solutions, and a full line of chemical and parts supplies to customers in Indiana, Illinois, Kentucky and Ohio. Harrell's excellent reputation and superior management team provided a solid base for growth.

GENERATION GROWTH CAPITAL INC.

Other Key Players: The Stephenson National Bank & Trust (senior lender); EXMARQ Capital Partners Inc. (mezzanine lender)

Deal Location: Indianapolis, Indiana (seller)

Type of Deal: Acquisition; purchase of assets and real estate

Size of Deal: Undisclosed

Principal Husch Blackwell Team Members: Jack Enea, Emily Hutchens, Erik Eisenmann, Laura Malugade, John Stafford Jr., Ed Edwards, David Eckhardt

Industry Groups and Practice Areas Involved: Financial Services & Capital Markets; Technology, Manufacturing & Transportation; Corporate; Mergers & Acquisitions; Securities

As it has many times before, Generation Growth Capital turned to its trusted legal counsel at Husch Blackwell to manage and close the deal. Husch Blackwell advised Generation Growth Capital through all aspects of the transactions, which included the purchase of all Harrell's assets and real estate, financing by two lenders, the creation of subsidiaries and intercompany agreements, the transfer of employee benefits, and the transfer of unemployment insurance permits and seller's permits in numerous states. Husch Blackwell also helped navigate the transfer of U.S. Department of Transportation permits, including hazardous materials in Indiana, which required advice from attorneys in Husch Blackwell's Washington, D.C., office.

By partnering Harrell's solid management team with Generation Growth Capital's proven proactive and collaborative approach to building businesses, this acquisition will allow Harrell's to realize its full potential and to continue to create jobs in the communities it serves.