

GREER LABORATORIES, INC.

RAYMOND JAMES CAPITAL PARTNERS, L.P.

in partnership with
existing management
has recapitalized



*Greer Laboratories, Inc., based in Lenoir, NC,
is a leading provider of allergenic extracts in the
United States for the diagnosis and treatment of
allergies in both humans and animals.*

The Challenge

Since the company's founding in 1904, the White family has transformed Greer Laboratories from a root and herb business into a leading producer of allergy diagnostics and therapeutics for both human and animal use. Heading into its second century of operation and family ownership, the company and the White family were at a crossroads. While the family had developed a solid business, their lack of financial experience and access to capital restricted their ability to identify and take advantage of new product and market opportunities. In addition, the White family wished to provide liquidity to family members not involved in the business. While these considerations argued for a sale of the company, the members of the family involved in the business also wanted to maintain their role in continuing the family business tradition and to participate in the future growth of the company.

The Alternatives

From a conventional standpoint, the White family had the following two alternatives: sell the business today or continue to own and operate the business until a sale became mandatory due to age and lack of succession possibilities. If the family sold the business today, they would not achieve their ownership objective and would not be able to participate in what they sensed was an exciting new growth phase for the company. To continue owning and operating the business independently, however, would limit the family's ability to take advantage of exciting market opportunities and would not allow them to achieve any current liquidity.

The Solution

Raymond James Capital listened carefully to the White family's personal objectives and helped them identify expansion opportunities for their business. We then created a financial structure and assisted in the development of a strategic and operationally oriented business plan that provided the White family with the following:

- Partial current liquidity for net-worth diversification
- Significant retained ownership to participate in future growth opportunities
- Access to the unique strategic and operational experience of our principals, as well as the complementary investment banking and research resources of Raymond James Financial, to help maximize future value
- Additional capital for future acquisitions
- Continuity in the management of the "family business"
- And, most important, an opportunity for interested members of the White family to lead Greer into the new millennium and through its 100th anniversary.

The Closing

"From our first meeting with Raymond James Capital, through the closing process and now into post-closing activities, it is clear that Raymond James has brought much-needed business acumen and expertise to Greer. While allowing us the freedom to run our business as we see fit, they have brought us new ideas and new ways to grow and evolve. We have always had a great idea of what the trees looked like; Raymond James has helped us to see the forest. The recapitalization of the company has achieved and surpassed the goals of the family members, while allowing us to continue to enjoy participation in a business venture that can and will do so much more than we could have done on our own. Our tactical expertise, coupled with Raymond James Capital's strategic vision, will be of tremendous value to our customers, our employees and the family."

Bill White, President and CEO
Greer Laboratories, Inc.

RAYMOND JAMES®
CAPITAL, INC.