

HVT GROUP, INC.

RAYMOND JAMES CAPITAL PARTNERS, L.P.

in partnership with

Jerry A. Goldlust

has recapitalized

HVT Group, Inc.



HVT Group, based in Chelmsford, MA, and in Essex, England, is a leading provider of high-voltage cables and related assemblies to customers worldwide.

The Challenge

In 1970, Jerry Goldlust founded HVT Group, Inc. because he believed that cable supply companies were ignoring the value-added importance and revenue potential of high-voltage connectors and of providing OEMs and end users with technical expertise. Today, HVT successfully meets those market needs by serving an international client base whose sophisticated end products include everything from X-ray machines to military aircraft. Over the past 25 years, the company has gained a worldwide reputation for its design and materials expertise. When Jerry came to Raymond James Capital, he saw opportunities to leverage this reputation through strategic acquisitions. However, Jerry had also put a significant amount of personal effort and net worth into developing his company. While he was eager to lead HVT into its next growth stage, he had a desire to achieve some personal liquidity for his years of hard work.

The Alternatives

An outright sale of the business would have allowed Jerry to maximize the current dollars in his own pocket, but selling his company would have meant losing operating control and the opportunity to fully participate in creating value from a reputation he himself had built. Jerry also could have approached a purely financial partner for current liquidity. However, Jerry's goals for growth, as well as the base business itself, had reached a level of complexity where value-added strategic advice would be invaluable.

The Solution

Raymond James Capital listened carefully to Jerry's situation and then crafted a transaction structure designed specifically to meet his financial needs. Our recapitalization structure helped consolidate Jerry's businesses (one near Boston and one in London), provide Jerry with partial current liquidity and leave Jerry with a significant equity interest. In addition to meeting Jerry's personal financial needs, our partnership offered HVT the opportunity to take advantage of Raymond James Capital's operational, strategic and acquisition expertise.

The Closing

"I truly enjoy the engineering and design side of my work, and with so many opportunities ahead of us at HVT, I wasn't ready to walk away from a business I had spent years building. However, I felt it was financially prudent for me to have some current liquidity before embarking on the next stage of HVT's growth. I knew there were many firms out there who would be willing to offer me cash for my business, but I was looking for someone who could offer me advice as well. Raymond James Capital convinced me that they have the resources needed to help me achieve my personal financial goals and my strategic business objectives."

Jerry Goldlust, President and CEO

HVT Group, Inc.

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