



# PROMETHEUS CAPITAL PARTNERS

*“a private merchant bank”*



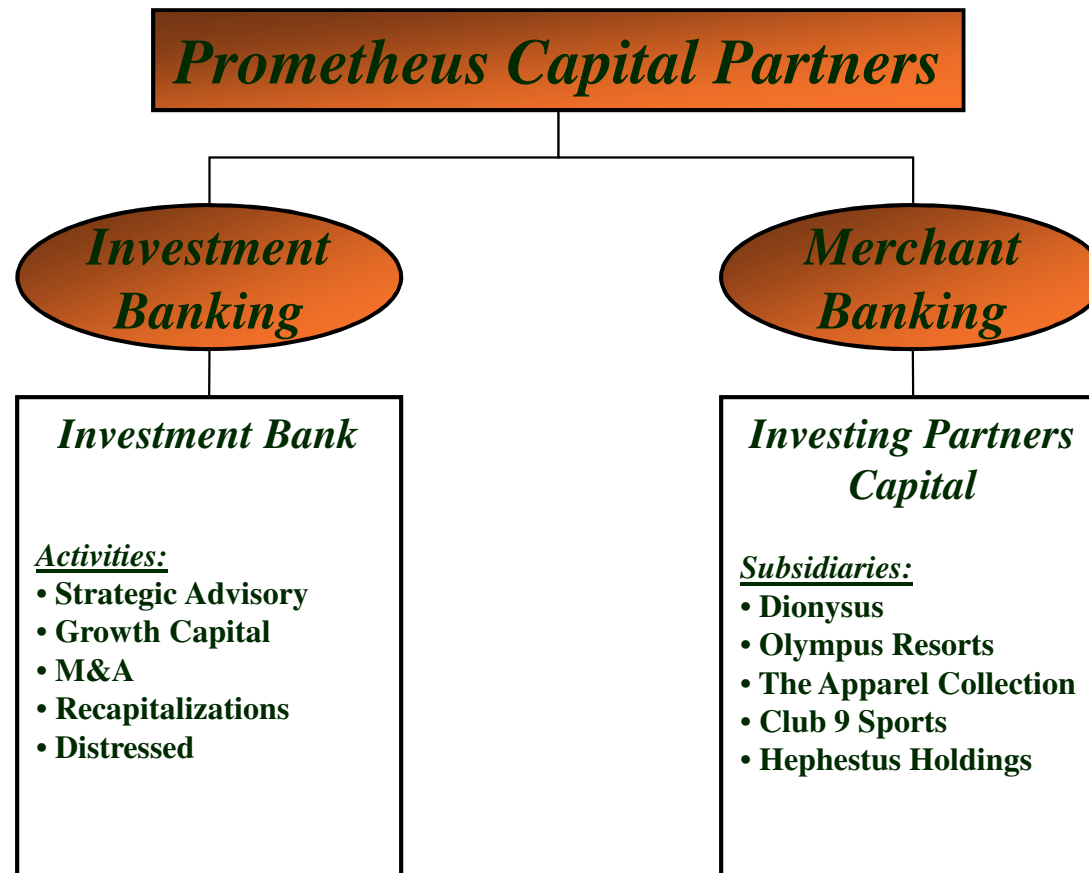
*Inspired by the rebel  
god who gave fire to  
man, Prometheus  
Capital Partners works  
with managers and  
entrepreneurs to create  
value, not just monetize  
it.*

## PROMETHEUS CAPITAL PARTNERS

*A private merchant bank  
providing advice and capital to the underserved lower middle  
market*



# Prometheus Structure



*Wall Street provides transaction execution to Fortune 500 corporate finance departments, we provide the same execution expertise, but also act as our client's corporate finance department assessing their needs and recommending a course of action.*

- Strategic Advisory
- Growth Capital
- Merger and Acquisition
- Recapitalization
- Proprietary Opportunities
- Distressed/Restructurings



# Representative Transactions



## Why Prometheus?

*The experience and client focus are two primary reasons to be with Prometheus.*

- 100+ years of experience in investment banking
- Bankers with operational and marketing experience
- Extensive relationships within the private equity community
- Strong client focus
  - Providing Wall Street services to Main Street
  - Full attention from senior bankers
- In-depth knowledge of relevant industries



## Professionals

*The team is made up of seasoned professionals from a wide range of industries, who have experience in companies of all sizes and stages.*

- John Prutch, Managing Partner
- Jeffrey Gross, Partner
- Joshua Prutch, Partner
- Jim von Kreuter, Managing Director
- Don Babbitt, Director
- Scott Jordan, Vice President
- Jim Thompson, Vice President
- Daniel Fuhrman, Operating Partner
- Jon Pritchett, Operating Partner
- Wil Spratt, Operating Partner
- Bill Levitt, Operating Partner
- Jack Gill, Sr. Advisor
- Carl Sheer, Sr. Advisor
- Tom Swiers, Sr. Advisor



# Distressed / Restructuring Practice Services

*Prometheus is comfortable working in  
distressed environments.*



## Distressed/Restructuring Practice

*The following are the broad categories of our distressed/restructuring services. Client engagements are typically comprised of a combination of services.*

- Restructuring Advisory Services (both financial and operational)
- Mergers, Acquisitions and Divestiture Advisory Services
- Debt and Equity Placement
- Interim Management Services
- Direct Investment



## Financial Restructuring Services

*Financial restructuring engagements typically entail one or more of the following activities:*

- Detailed operational and financial review of the company in order to determine causes of under-performance and drivers of value.
- Assessment of value, determination of financial leverage capacity and identification of optimal capital structure.
- Development of execution strategies, including debt restructuring, out-of-court restructuring, bankruptcy court reorganization, asset sales, capital raises and enterprise sales.
- In bankruptcy situations, preparation of disclosure statements and Plans of Reorganization.
- Transaction Execution.



## Operational Restructuring Services

*Operational restructuring engagements optimize financial and operating performance for owners and investors.*

- Daily cash management services.
- Competitive analysis.
- Cost structure advisory.
- Operations structure review and analysis.
- Management assessment.



## Distressed M&A Services

*Prometheus principals have extensive experience transacting 363 sales, UCC 9 sales, and Assignments for Benefit of Creditors.*

Prometheus represents buyers and sellers in distressed M&A transactions. Clients include family-owned enterprises, closely-held private companies, micro-cap public companies, private equity firms and investment funds, and lenders. We offer a comprehensive M&A service capability, including:

- Evaluation of strategic transaction alternatives
- Valuation
- Preparation of descriptive offering materials
- Identification of buyer and seller universe
- Negotiating with counterparties
- Determination of ideal transaction structure
- Documentation and closing



## Debt and Equity Placement

*Availability of capital on reasonable terms is often a critical requirement for successful strategic transaction execution.*

Prometheus professionals utilize decades of experience and deep relationships with investors and lenders to accomplish the following:

- Debt Recapitalizations
- Management and/or Leveraged Buyouts
- Public to Private Buyouts
- Debt Restructure/Refinancing
- Growth Capital Raises
- Private Equity Placements (minority and control positions)
- Tax-Advantaged Capital Structures



## Interim Management

*Prometheus professionals periodically act as interim executives of client companies as an operational component of a restructuring engagement.*

With the backgrounds as former CEOs, COOs, CFOs and General Counsels in successful enterprises, Prometheus professionals are able to bring sophisticated management expertise and capability to companies with a short-term need or in a transitional state.



## Direct Investment

*Prometheus will invest on its own behalf, or in concert with other investors.*

The Prometheus investment methodology is opportunistic. It will invest in undervalued situations it believes are temporary, and/or where it believes it will be able to lend expertise and other capabilities to contribute to value creation in the near term.

Prometheus professionals have a long track record of successful investing in a variety of situations, including startups, growth capital companies, turnaround situations and management/leveraged buyouts.



# Operating Subsidiaries

*Our Operating Partners manage subsidiary companies  
where they have deep experience and expertise.*



## Club 9 Sports, LLC



*Sports and Media represent one of the industry categories where Prometheus is investing in portfolio companies in concert with other co-investors.*

- CLUB 9 SPORTS advises, operates and invests in sports and media opportunities.
- CLUB 9 SPORTS takes an operational, hands-on approach to sports and media organizations whether they are investments or clients. Sports and media are, in the end, entertainment companies that require diligent sales/promotions and financial discipline.
- CLUB 9 SPORTS focuses on investment opportunities that are underperforming or undervalued where it can use its expertise in sales and marketing to improve the key drivers of revenue and profits in combination with its disciplined approach to expense management and performance metrics.



## The Apparel Collection, LLC



*At the platform level, it is about blocking and tackling. Eliminating mistakes allows divisions to focus on expanding sales with existing retailer and securing new retailers.*

- An apparel company execution platform
  - ≈\$188 mm in revenue
  - ≈\$18.4 mm in EBITDA
- Monetize the platform repeatedly
  - Buy underperforming apparel companies \$10-100 million in revenue
  - Professionalize sales and marketing through retailer data based merchandising recommendations
  - Build acquisitions into brands and then sells brand
- Platform, if sold, would receive a premium not seen in the market place currently



*Industrial manufacturing is out-of-favor with the investment community.*

*Opportunity for outstanding investment returns is created by the growth in targeted end-user markets, and the operational economics of the virtual enterprise business model.*

- Hesphests invests in and operates specialty manufacturing companies. End-user markets include: aerospace, energy, on and off-highway commercial vehicles, railroad equipment, hydraulics, and diversified industrial.
- Hesphestus is customer-centric, creating value by delivering highly-engineered proprietary products manufactured through specialized precision manufacturing processes and by outsourcing to a “virtual enterprise” of global supply chain partners.
- Hesphestus... focuses on investment opportunities that are underperforming or undervalued where it can transform traditional business models through customer-centric solutions and through the virtual enterprise outsourcing model.



## Olympus Resorts, LLC



*Olympus Resorts  
creates liquidity  
options for otherwise  
illiquid real estate  
assets.*

- Olympus Resorts delivers exceptional vacation experiences to our owner/members & their guests by providing access to the world's premier vineyard locations & liquidity to property owners.
  - Build Luxurious Homes on and/or around destination amenities (focus: vineyards and wineries)
  - Sell fractions of the home – (PRC model)
  - Share profits with existing owner
- Focus on niche markets
  - Equestrian estates
  - Vineyards & Wineries
  - Boutique hotels and spas



## Dionysus, LLC



*Leveraging knowledge, resources, and relationships to create value and brand awareness for our strategic winery partners.*

- Dionysus will assist in producing a marketable brands at a desired price point.
- Through established relationships, Dionysus will build brand awareness and thus value by distributing wine through the finest restaurants and retailers in the most lucrative markets in the US.



## John Prutch



*John Prutch is the Managing Partner of Prometheus Capital who brings significant experience in the consumer industry from an operating and investment banking perspective.*

Prior to co-founding Prometheus Capital Partners., Mr. Prutch managed several middle market consumer-related businesses over the past 12 years. He has been successful in the turnaround of companies through cost-cutting and aggressive sales and marketing. Mr. Prutch accomplished these turnarounds by selling divisions and subsidiaries, acquiring companies, negotiating licensing agreements, negotiating long term contracts, moving domestic production to overseas, renegotiating new labor agreements and raising fresh equity and debt.

Prior to Mr. Prutch's management activities, he was founder and Managing Director for Merchant Capital Group (Mercap), a Chicago based boutique merchant bank providing advisory services, merger and acquisition services and direct investments as principal in a number of consumer-oriented businesses including General American Door, LSJ Sportswear and Rapco International. Mr. Prutch managed Mercap for ten years and was non-executive chairman of the companies that Mercap invested in as a principal.

Prior to founding Mercap, Mr. Prutch was Vice President of Equities Northwest, Inc. (ENI), which was sold to Oppenheimer & Company in 1982. ENI was the premiere source of venture capital and project financing to the energy industry in the 1970's and early 1980's. Mr. Prutch progressed to Vice President in charge of their Chicago office. ENI raised over \$100,000,000 per year in equity, with Chicago being the largest producing office.

Over the course of his career, Mr. Prutch has served on the Board of Directors of numerous companies, both public and private. Mr. Prutch attended Loras College in Dubuque Iowa and majored in Political Science. He currently resides in Palatine with his wife, Debbie.



## Jeffrey Gross



*Jeffrey Gross is a Senior Merchant Banker who has participated in over 100 transactions with primarily middle market, privately held companies.*

Jeffrey M. Gross is a founder of Prometheus Capital responsible for transaction execution and internal operations. Mr. Gross spent two and a half years with Kipp, Reese, Koldyke & Co., LLC playing a significant role in KRK's initial four principle investments (including part time operations management of one portfolio company) and investment banking activities.

Prior to KRK, Mr. Gross worked with Venture Accelerator Corporation ("VAC"), a Chicago & Madison based merchant bank which he helped form in 2002. Venture Accelerator Corporation provided management and experienced required to attract sophisticated capital and position a company for growth.

Prior to VAC, Mr. Gross was a Senior Associate at VM Equity Partners, a Chicago investment banking boutique focused on privately-held middle market companies. Mr. Gross was responsible for founding the firm's technology and life science practice.

He has also held positions with William Blair & Co. and Banc One Capital Corporation.

Mr. Gross holds an MBA with Distinction from the Kellogg Graduate School of Management at Northwestern University and BS from the University of Wisconsin-Madison.



## Joshua Prutch



*Joshua Prutch is a Partner with Prometheus Capital who brings an operational background and a primary focus on software development, supply chain management, and marketing.*

Joshua J. Prutch joined Prometheus Capital in August of 2006 as a Vice President. Over the past 12 - 18 months, Mr. Prutch has been leading the distressed practice of Prometheus Capital through identifying opportunities and partners to successfully turn-around the troubled companies. Outside the distressed practice, Mr. Prutch assists in managing the due diligence process, identifying capital through financial institutions and strategic alliances, creates strategic alternatives for the firm's engaged clients.

Prior to joining Prometheus Capital, Mr. Prutch has spent the past 7 years in a fortune 500 company in the supply chain management industry. Mr. Prutch held several positions within the company ranging from Analyst to Project Manager to Department Head. Under Mr. Prutch's lead, the company successfully designed, created, went to market, and supported two Windows based technologies. The first to market grew to controlling \$35mm in revenue by year 4 and the second received the "Innovation of the Year - 2006" award presented by the USPS within 2 weeks of its press release.

This opportunity allowed Mr. Prutch to gain insight into the world of entrepreneurs, where he developed an in-depth understanding in their specific business needs and concerns. Both applications, produced revenues while eliminating substantial costs

Mr. Prutch received his business degree in Supply Chain Management from Eli Broad College of Business at Michigan State University. He currently resides in Chicago with his wife and two children.



## Jon Pritchett



*Jon Pritchett is the Operating Partner of CLUB 9 SPORTS and brings his extensive sports industry experience to the PCP team.*

Jon brings over 22 years of sports & entertainment marketing and management experience to PCP, as well as a deep understanding of sports media and public relations. He is Vice Chairman at French West Vaughan, the largest independent PR firm in the Southeast in addition to being an Operating Partner at PCP.

For the last two decades, Jon has been a part of business success, including several management positions, in a diverse group of sports and entertainment companies. The projects he has worked on include representing the NCAA for corporate sponsorship; developing arena and stadiums for several minor leagues; consulting with the NBA; managing minor league sports teams; promoting sporting events and managing the start-up of a motor sport league. Between 2003 and 2009, Jon served as the CEO of General Sports Venue, a marketer of sports specialty brands such as AstroTurf. During his tenure, Pritchett led the highly successful effort to re-build the brand as the industry leader, growing the business from \$1MM in annual sales to \$50MM. Prior to GSV, Jon spent four years as the COO of ScheerSports and four years as VP of Sales at Host Communications, Inc.

Jon manages the subsidiary company, CLUB 9 SPORTS, which was created in the summer of 2009 in order to invest, advise and manage in the sports and sports media industries. Jon studied Broadcast Communications at Appalachian State University, did his graduate work in Journalism at the University of South Carolina and also obtained a degree from the Sports Management Executive Institute at the University of North Carolina. He is a native Tar Heel and makes Raleigh, North Carolina his home.



*Wil Spratt*



## Jim von Kreuter

*Jim is a senior banker with closed transactions of greater than \$4 billion.*

James A. von Kreuter, Managing Director, joined Prometheus with over 20 years of investment banking experience, primarily focusing on middle market clients in a wide variety of industries including gaming, hospitality, real estate, consumer, transportation, healthcare, technology, consulting, media and entertainment. Jim has specialized in private placements having originated, structured and closed over \$4 billion of capital transactions for clients across a broad spectrum of capital including senior debt, high yield debt, mezzanine capital and private equity. Jim works with, and has strong relationships with senior level investors at banks, finance companies, insurance companies, hedge funds, mezzanine funds, and private equity funds.

Jim joined Prometheus from Headwaters MB, a Denver-based investment bank where he was head of the Gaming, Media and Entertainment Group. Prior to joining Headwaters, Jim was Managing Partner at Watch Hill Capital, LLC a boutique advisory firm that he founded. He was a Managing Director and Head of Private Placements at Mesirow Financial as well as Managing Director in Debt Capital Markets at BMO Capital Markets. In his earlier career he was an Associate Director at Bear Stearns and Vice President at Alex. Brown & Sons.

Jim received his BA in Economics from Hobart College and his Masters in Management in Finance and Management Policy from the J.L. Kellogg Graduate School of Management at Northwestern University. He holds his FINRA Series 7 and Series 63 securities licenses.



## Don Babbitt

*Don Babbitt brings a wealth of experience and legal expertise to Prometheus and it's clients*

Mr. Babbitt has over 20 years of combined experience raising capital, facilitating successful mergers and acquisitions, and managing operations. Mr. Babbitt has held investment banking positions with McDonald Investments, IBJ Schroeder and CATIC Capital Corporation, where he originated, structured, and supervised transactions in the areas of corporate and project finance, mergers and acquisitions, and high yield debt. He has international experience developing and executing cross-border acquisitions and joint ventures. Most recently, Mr. Babbitt was a major player in structuring and financing the ongoing consolidation among food producers, processors, and retailers.

Mr. Babbitt holds an MBA from Columbia University and a JD, *summa cum laude*, from the University of Dayton. He is a member of the Columbia Business School Alumni Association and the Ivy League Network of Southern California.



## Scott Jordan

*Scott Jordan widens Prometheus Capital Partners area of expertise while bringing extensive relationships within the financial community.*

Scott Jordan is Vice President with Prometheus Capital. Mr. Jordan is responsible for transaction execution including building relationships with funding sources including angel investors and private equity firms. Previously, Mr. Jordan was employed as Vice President with a world-class asset manager and research organization, Sanford Bernstein.

Previous to Sanford Bernstein, Mr. Jordan gained over 15 years of experience in the pharmaceutical and biotechnology industries. Mr. Jordan held a number of senior-executive positions including 5 years as Director of Business Development at NeoPharm, a small-cap oncology biotechnology firm, and Vice President of Sales for an ophthalmic specialty-pharma organization, Akorn Ophthalmics.

Scott graduated from Michigan State University with a BA in Marketing and finished his MBA in 1999 at The Kellstadt Graduate School of Business - DePaul University. Mr. Jordan is a Level II Chartered Financial Analyst candidate.



## Jim Thompson

*Jim Thompson, Prometheus Capital CFO, is a walk-the-floor manager who participates at a hands-on level with Prometheus Capital projects.*

Jim Thompson joined Prometheus Capital in August of 2009 as Chief Financial Officer. Mr. Thompson is responsible for oversight of Prometheus Capital participating ventures, finance and accounting services department, opportunity viability analysis and subsequent turn-around operational activities. Prior to joining Prometheus Capital, Mr. Thompson was a CFO for a regional aviation services provider.

Mr. Thompson' history includes over 17 years of supporting entrepreneurs in the development, launch and successful operations of multiple businesses spaces including: real estate development, resort / golf development, aviation, hospitality / food & beverage operations, construction and electronics distribution. Mr. Thompson has held positions ranging from Controller to CFO and COO. Under Mr. Thompson's leadership he built, opened and operated a national award winning golf course and +800 acre residential development. Mr. Thompson has also developed custom ERP solutions for fringe industries, including a full service software solution for the distribution, support, customer service and commission tracking functions of a national subscription media provider.

Mr. Thompson's approach can best be described as a walk the floor CFO/COO who participates at a hands-on level within the Prometheus Capital family of ventures. Mr. Thompson holds a Bachelor of Arts degree in Business Administration – Accounting from Hillsdale College. He currently resides in Schoolcraft, Michigan.



# Appendix: Distressed Execution Experience



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## Execution Experience

### ○ Farmland Industries, Inc. (Farmland Foods)

- Advised Farmland Industries in connection with the leveraged recapitalization of Farmland Foods (pork unit), the nation's 6th largest pork processor and member of the Triumph system, the nation's 4th largest hog producer.
- Provided alternative transaction, at a higher valuation, to Smithfield Foods' initial proposal in the 363-sale bankruptcy process with a proposed leveraged recapitalization that assisted in achieving greater value to creditors.



### ○ Creekstone Farms Premium Beef, LLC

- Advised Creekstone Farms, one of the nation's leading producers of natural and pure Black Angus beef products, and its lender owners, The Bank of Nova Scotia, on sale of majority stake to a private equity group.
- At the time of the sale the company was incurring significant operating losses. We were able to overcome the company's poor performance by focusing on the firm's brand potential and production improvements to be achieved through retrofit of its state-of-the-art processing plant.



### ○ Prairie Grove Farms, LLC

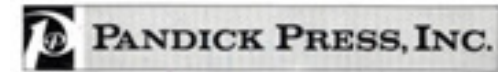
- Prairie Grove Farms, a niche pork company, was generating significant operating losses and had never generated a profit in 10 years of operation.
- We raised \$25 million of capital for the company, including both strategic and financial capital. The additional capital enabled the company to triple its production in less than one year.



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## Execution Experience

- **Pandick Press, Inc.**



- Following leveraged buyout of one of the nation's largest financial printers, poor industry conditions and a heavy debt burden resulted in company's bankruptcy.
- We served on the creditor's committee and sold off assets during reorganization that was a de facto liquidation.

- **Grand Illusion Sportswear**



- Took over as CEO of this apparel decorator and distributor.
- Reduced inventories, eliminated unprofitable divisions and significantly increased margins through enhanced sourcing.
- Dramatically reduced debt through negotiating with senior lender and obtaining additional equity investment.
- Over two years, the Company went from an operating loss of \$2.3 million to a pre-tax profit of \$1.5 million.

- **Signal Apparel**

- Took over as President for this apparel company that was on the verge of losing NYSE listing.
- Restored stability to the Company and saved the NYSE listing.
- Shut down domestic production and moved sourcing off shore, sold two divisions, negotiated new licensing agreements, and made 3 acquisitions.
- Negotiated a new \$110 million bank line of credit and arranged for \$10 million in preferred stock.



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## Execution Experience

### ○ **Big Ball Sports**

- Took over as CEO of this active wear company that was suffering from aggressive growth and shrinking margins.
- Moved sourcing off shore, rationalized the growth and reduced corporate overhead.
- Increased gross margins by 50% and stabilized the Company.

*Big Ball Sports*

### ○ **Umbro USA**

- Took over operations of the retail side of Umbro USA while Riddell took over the team side of the Company.
- Restored faith in the brand and stabilized revenues which had been in decline for three years.
- Moved sourcing off shore, hired new sales force, and reduced overhead by over 50%.



### ○ **Butler International**

- Represented buyer and acquisition capital to purchase Butler International, a leading provider of Engineering and Technical Outsourcing Services, helping customers worldwide
- Purchased assets through a 363 sale in bankruptcy
- Completed the acquisition in 32 days

