



FOR IMMEDIATE RELEASE  
January 22, 2010

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**RIVERSIDE CONTINUES EXPANDING MEDICAL SUPPLY PLATFORM**

*Add-On Broadens ActivStyle's Product Offering and Footprint*

**Deal Type:**

Add-On Acquisition:  
Advocate Medical Services, Inc

**Key Stats:**

1<sup>st</sup> Riverside Acquisition of 2010  
224<sup>th</sup> Acquisition Overall  
41<sup>st</sup> Healthcare Acquisition

**Fund Family:** Riverside Micro-Cap Fund

**Sellers:** Advocate Management

**Advocate Medical Services, Inc. ("Advocate")**

Based in Tampa, Florida

- Provider of consumable medical products, focusing primarily on catheters (419 SKUs), incontinence products (131 SKUs), and ostomy (99 SKUs). The company offers an additional 183 SKUs of other medical products.
- Advocate's core product line is intermittent catheters, which provide many advantages over other types of catheters.
- Primarily serves neurogenic bladder patients who often suffer from spinal cord injuries or neural tube defects, and who have a lifelong need for catheters and related medical supplies.
- Product line will complement platform company ActivStyle's strength in incontinence products while providing ActivStyle with access to new patients and geographies.

**Of Note:**

Advocate is the second add-on to ActivStyle, following the successful 2007 acquisition of Senior Care Services. Advocate delivers remarkable value to customers, as its knowledge of products and processes to improve patients' quality of life while easing the work required of physicians' offices. This high level of customer service has engendered loyalty among customers and the physicians who refer them to Advocate. On behalf of its patients, Advocate bills a variety of insurance sources, including Medicaid, Medicare and commercial insurance.

The Advocate transaction is Riverside's 41<sup>st</sup> overall healthcare acquisition, which include the last four platform acquisitions. Though it is a generalist investor, Riverside has a specialized focus on select industries like healthcare, for which the firm has a team of professionals dedicated to finding and growing healthcare opportunities.

## *Riverside Completes Add-On to ActivStyle*

### **Quotes:**

*Loren Schlachet, Riverside Managing Partner:*

“Advocate and ActivStyle were already strong businesses, but by combining Advocate with ActivStyle, we are making both companies significantly better. This transaction opens up new opportunities for growth for ActivStyle, and significantly expands ActivStyle’s expertise in the catheter supply market.”

*Dan Filippini, ActivStyle CEO:*

“We’re thrilled with the acquisition of Advocate since it will strengthen ActivStyle’s position as a leading supplier of home medical equipment in the reimbursed Medicaid, Medicare and insurance markets. In addition to expanding our presence in the overall urological market segment, Advocate brings a wealth of knowledge about its products, patients, and payor sources. We are confident this strategic transaction will deliver lasting, long term value.”

*Todd Cianfrocca, Advocate Co-Founder and seller:*

“We are very excited about the growth opportunities the combined platform with ActivStyle and The Riverside Company affords us.”

*Julio Valdivia Advocate Co-Founder and seller:*

“Our ability to accelerate Advocate’s unique service offering into additional strategic areas is greatly enhanced by the added resources Riverside brings to the table.”

### **Riverside Team:**

Loren Schlachet, Managing Partner; Jack Nestor, Vice President; Jeff Tobin, Operating Partner; Marques Martin, Analyst.

### **Partners:**

Tri-State Capital Management provided capital for the transaction. Jones Day provided legal counsel.

### **The Riverside Company** ([www.riversidecompany.com](http://www.riversidecompany.com) or [www.riversideeurope.com](http://www.riversideeurope.com))

The Riverside Company is a global private equity firm focused on acquiring leading small and medium-sized enterprises (with a value of up to \$150 million) and partnering with strong management teams to enhance the success of its companies through acquisitions and organic growth. Since its founding in 1988, the firm has invested in 224 transactions with a total enterprise value of \$5.0 billion/€4.2 billion. The investment portfolio in North America, Europe and Asia includes 70 companies with annual sales totaling \$3.3 billion/€2.5 billion, EBITDA of \$506 million/€384 million and more than 13,000 employees (June 2009). Riverside offers the resources to complete acquisitions smoothly - thanks to its more than \$3.0 billion/€2.4 billion in assets under management, its more than 180 professionals in 18 offices (Atlanta, Brussels, Budapest, Chicago, Cleveland, Dallas, Hong Kong, Los Angeles, Luxembourg, Madrid, Munich, New York, Prague, San Francisco, Seoul, Stockholm, Tokyo and Warsaw) and its longstanding relationships with partner lenders. According to Thomson Venture Economics, eight of Riverside’s nine mature funds rank in the top 25% of all funds (as of 30 June 2009). The firm’s investors include the world’s leading pension funds, endowments, funds of funds, insurance companies and banks.

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