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## Martex Fiber Acquires JBM Fibers

**Radnor, PA, June 25, 2013** – Milestone Partners is pleased to announce that on June 24, 2013, its portfolio company Martex Fiber Southern Corp. ([www.martexfiber.com](http://www.martexfiber.com)) completed an add-on acquisition of JBM Fibers, a shoddy (recycled fiber) manufacturing business in Brownsville, Texas. JBM is a major regional player in the post-consumer textile waste industry, providing recycled textile products to a diversified customer base nationwide.

Rick Otero, Chief Executive Officer of Martex Fiber, said, “Our acquisition of JBM Fibers’ assets will expand our pre-consumer textile recycling leadership position into the post-consumer segment. JBM’s position is extremely complementary to our “No fiber left behind” strategy, which diverts more than 130 million pounds of pre-consumer material each year from landfills, while also upgrading those materials into wiping rags and remnants for paint and industrial cleaning, shoddy for insulation and padding markets, and high quality recycled yarns for knitting and upholstery applications for our global customer base. Martex Fiber’s Brownsville division will also open up markets and geographies that we had not previously served.”

The law firm Pepper Hamilton LLP advised Martex Fiber while Atlas, Hall & Rodriguez, LLP advised JBM and its investors. City Securities Corporation also advised the sellers in the transaction.

For more information about the transaction, please contact [John Nowaczyk](mailto:John.Nowaczyk@milestonepartners.com) at Milestone Partners.

**Martex Fiber Southern Corp.** ([www.martexfiber.com](http://www.martexfiber.com)) is a leading recycler of pre-consumer textile waste, offering textile waste collection services, rag sales, and conversion into recycled fiber and yarn products. Manufacturing facilities are located in Lincolnton, GA and Spartanburg, SC with administrative offices in Charlotte, NC, and Philadelphia, PA. Martex has been producing environmentally friendly products since the 1970s.

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**Milestone Partners** ([www.milestonepartners.com](http://www.milestonepartners.com)) is a private equity firm that partners with management to invest in leveraged buyouts and recapitalizations of lower middle market businesses. Milestone pursues successful niche-market leaders that provide high-margin products or services. Milestone’s transactions typically provide liquidity to shareholders of privately owned businesses, facilitate the transition of ownership to key managers, and allow management to capitalize on growth opportunities, while maintaining the legacy of the founders.

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-  **[Southern Management Corp.](#)**  
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-  **[United Road Towing](#)**  
(towing services)

## MILESTONE GENERAL INVESTMENT CRITERIA:

### Company Size\*:

- Revenue: \$15–\$150 million
- EBITDA: \$3–\$20 million

### Transaction Size\*:

- \$15–\$150 million

### Equity Investment Size\*:

- \$5–\$40 million (and higher with typical co-invest)

\*Add-ons may be smaller

### Sectors and Industries:

- Generalist approach; seeking high-margin, niche-market leaders in all industries

### Geography:

- North America (may have overseas operations)

### Key Business Characteristics:

- Clear competitive advantages
- High profit margins
- Compelling growth opportunities

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