



## PMT Industries, LLC

Surgoinsville, Tennessee

Forger of complex steel parts

Investment Amount: \$2.5 Million

Investment Date: April, 2008

*“CapX Partners provided PMT with the capital required to purchase a very strategic 6000 ton press that came available in the United States. This new press will increase our production capability by over 25% and will allow PMT to continue their explosive growth.”*

— Tim Knisley, **PMI Industries**

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### Investment Situation:

PMTI is a forger of complex steel parts for the heavy truck, automotive, construction, and marine industries. PMTI had the opportunity to secure a large customer which would require additional forging capabilities. The customer contract required higher level production rates only achievable with a larger and more efficient press. To support the contract, PMTI needed to purchase a 6000 ton press as well as a new steel saw. Presses of this size are rare and one had come on the market. PMTI and Aavin, their private equity sponsor, found CapX to supply lease financing for the equipment required for the new customer.

### The CapX Approach:

The investment situation for PMTI is a great example of how CapX can help companies grow. In a situation where customer demand requires the purchase of new equipment, CapX spends the time understanding the new contract, the new customer and the financial implications for the company. In this case, CapX understood that the business could not start until the press was purchased. CapX became comfortable with the company's financials and the strong, consistent management team, and funded the acquisition of the press and cutter.

### The CapX Solution:

CapX provided \$2,500,000 in lease financing to purchase the 6000 ton forging press and a more efficient steel cutting machine.