

For Immediate Release



## **MORGENTHALER PRIVATE EQUITY ANNOUNCES THE SALE OF PHILLIPS & TEMRO**

**Boston, MA – February 10, 2012** – [Morgenthaler Private Equity](#), the Boston and Cleveland-based private equity team focused on lower middle-market buyouts, announced today that it has completed the sale of Phillips & Temro Industries, a leading designer, manufacturer and distributor of highly engineered diesel engine components to original equipment manufacturers (OEMs) and suppliers of construction equipment, light and heavy duty trucks, agriculture equipment, stationary power generators and automobiles.

Terms of the transaction were not disclosed.

Butch Sumpter, President and Chief Executive Officer of Phillips & Temro, said, “We are excited about our future growth prospects across all three operating divisions. Over the past several years we have significantly enhanced our global reach, introduced new product offerings and expanded our customer relationships. We thank Morgenthaler for their advice, support and stewardship over the course of our successful partnership.”

Morgenthaler Private Equity originally acquired Phillips & Temro in December 2004. Joe Machado, Director of Phillips and Temro and Partner at Morgenthaler added, “It has been a privilege for John Lutsi and me to work with Butch Sumpter, Mike Ramsay and the entire senior management team. We are proud to have been a small part of Phillips & Temro’s esteemed 90-year operating history. In partnership with

management, we have successfully completed an add-on acquisition in the United Kingdom, established a new factory start-up in China, improved operating efficiencies and invested in exciting technologies for electric and hybrid electric vehicle platforms. Going forward, Phillips & Temro will continue to build upon its leadership position by focusing on highly engineered products that meet the exacting performance standards of its global customer base.”

Baker Hostetler served as legal advisor and Goldman Sachs served as financial advisor to Morgenthaler Private Equity.

### **About Phillips & Temro**

Headquartered in Eden Prairie, MN, Phillips and Temro Industries (“PTI”) is a leading global supplier of highly engineered diesel and gasoline engine components with an emerging presence in electric and hybrid electric vehicle platforms. PTI serves leading OEM and aftermarket customers in construction equipment, light and heavy duty truck, agriculture, power generation, and automotive end markets. PTI employs over 500 people across six global manufacturing operations.

### **About Morgenthaler Private Equity**

Morgenthaler is a leading, national private equity and venture capital firm, with approximately \$3 billion under management and investments in more than 300 companies over its 44-year history. Morgenthaler Private Equity (“MPE”) is the firm’s private equity team based in Cleveland, Ohio and Boston, Massachusetts. MPE focuses on the lower middle market with transaction values between \$25 - \$150 million and EBITDA in excess of \$5 million. MPE has two primary target investment areas: high-value manufacturing and proprietary business services. For more information on Morgenthaler’s private equity group, please visit: <http://www.morgenthaler.com/private-equity/>.

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