



**FOR IMMEDIATE RELEASE**

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**CLEARY GULL INC. ADVISES VELVAC HOLDINGS, INC., A PORTFOLIO COMPANY OF PROSPECT PARTNERS, IN ITS SALE TO THE EASTERN COMPANY**

**Milwaukee, Wisconsin, April 4, 2017** – Cleary Gull Inc. is pleased to announce that Velvac Holdings, Inc., a portfolio company of Prospect Partners, has been acquired by The Eastern Company. Cleary Gull acted as exclusive financial advisor to Velvac in the transaction.

Velvac ([www.velvac.com](http://www.velvac.com)) founded in 1934, serves diverse markets within the heavy and medium duty truck, motorhome and bus markets. Velvac is a leading innovator of proprietary vision systems for commercial vehicles and motorhomes. Velvac introduced its first camera-enabled vision system in 2006 and now sells approximately 45,000 camera-enabled units annually. Velvac recently introduced its Road-iQ™ 360-degree view camera, recording and communication system and announced TrailerLink™, a new patent-pending solution that supports trailer-to-tractor video and data communications. Velvac is a Tier 1 supplier and sells its aftermarket components and vision systems through its aftermarket channels, OEM dealers, and OEM parts distribution centers.

Prospect Partners ([www.prospect-partners.com](http://www.prospect-partners.com)) is a leading lower-middle-market private equity firm based in Chicago, focused exclusively on management-led leveraged recapitalizations and acquisitions of small companies with niche strategies.

Eastern ([www.easterncompany.com](http://www.easterncompany.com)) is a 159-year-old manufacturer of custom-engineered components and products, including industrial hardware, security products and metal castings. It operates from 13 locations in the U.S., Canada, Mexico, Taiwan and China. The broad range of the Company's products helps it respond to the changing requirements across diverse markets, including heavy and medium trucks, mining, commercial laundry, electronics, military and other industrials.

Velvac will become an independent subsidiary of Eastern. Jeff Porter, President and CEO of Velvac, will continue to lead the business. Velvac recorded net sales of approximately \$60 million for fiscal year 2016. Consideration is \$39.5 million plus an earnout based on the growth of Velvac's Road-iQ™ business.

“We are delighted to add Velvac to our portfolio of businesses,” said August Vlak, President & CEO of Eastern. “Velvac represents an excellent fit for Eastern and helps us expand our presence in the truck and motorhome markets. This transaction also adds a new growth platform, with significant potential to expand margins in the future.”

Mr. Porter said “We are proud of the team and the business we have built over the past 11 years with the support of Prospect Partners. Eastern now gives us the stable, knowledgeable platform we need to grow, and we are excited to partner with Eastern to help take Velvac to the next level.”



### **About Cleary Gull**

Founded in 1987, Cleary Gull ([www.clearygull.com](http://www.clearygull.com)) is an independent investment banking firm advising privately held companies on middle market sales, divestitures, mergers and acquisitions, private debt and equity capital raises, and other transactions. Cleary Gull has extensive experience in the manufacturing, consumer, business & industrial services, and software and technology industries.