

Branford Castle buys Fibrix, concluding prolonged process for air filtration company

The private equity firm has clinched its first investment out of Fund II, which held a first close late last year.

By **Karishma Vanjani** - 1 day ago

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Branford Castle Partners has acquired Fibrix Filtration, a filtering component manufacturer that had paused its sale process during March and April at the height of the pandemic.

The New York City-based private equity firm, investing out of Fund II, closed the deal on August 13. Branford's second vehicle had raised \$116 million as of November 2019, [PE Hub reported last year](#).

Comprising a mix of debt and equity, Fibrex fell within Branford's typical \$40 million to \$60 million range in terms of deal value, said Laurence Lederer, senior managing director at the firm. Branford typically invests in companies with EBITDA of up to \$15 million.

Fibrix was brought to market in a formal process pre-covid. "While they [sell-side banker, Alantra] officially paused the deal, we stayed in touch to express our desire to move forward," Lederer said, attributing the pause to the uncertainty in the lending market.

The PE firm signed a letter of intent in June after travelling to Texas and North Carolina to carry out due diligence.

To allay fears, "we had to let them know even small things, like we had no problem visiting the site [manufacturing plant]," Lederer added. "Alantra arranged presentations in a hotel conference room where everyone had to be 6 feet apart," Lederer said, recalling how handshakes were replaced by elbow bumps.

The Charlotte, North Carolina-based target makes filters that improve the air quality of heating, ventilation and air-conditioning systems. The company's filters, which are replaced ideally every two to three months, are sold to air filtration system manufacturers.

Fibrix, prior to the acquisition, was owned by three entrepreneurs, two of whom exited from their operational roles. The more than 50-year-old company will remain under the leadership of chief executive Keith White, who also invested in the transaction.

Branford, a majority-control investor in the deal, secured senior debt from Byline Sponsor Finance and subordinated debt from Brookside Mezzanine.

Legal advisors for the sell-side were Adams & Reese, while Akerman represented the buyers. Branford Castle partnered with RSM for accounting and tax support services.

Action Item: Check out the [press release](#) for more details.

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