

ICV RAISES \$313M

By *Kelly Holman* **The Deal.com**

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ICV Capital Partners LLC, a New York private equity firm, said Wednesday, Sept. 13, it has closed its second fund at \$313 million, exceeding an initial target of \$200 million by more than 50%.

The ICV Partners II LP pool will seek to deploy equity investments of up to \$35 million in small, middle-market companies involved in buyout, recapitalization or corporate divestiture situations. ICV's fund will invest in businesses that generate \$25 million to \$100 million in annual sales or Ebitda ranging from \$5 million to \$15 million.

Investors include **New York State Common Retirement Fund, California Public Employees' Retirement System, Citigroup Inc., Fairview Capital Partners Inc., Bank of America NA, J.P. Morgan Chase & Co.**, the City of Philadelphia, **Teachers' Retirement System of the State of Illinois**, CSFB Emerging Opportunities Fund, **Lehman Brothers Inc., New York Life Insurance Co., California State Teachers' Retirement System** and the CSFB/NJDI Investment Fund.

Willie E. Woods Jr., president and managing director of ICV, said that what sets the firm apart is that it doesn't use subordinated debt in its deals.

Woods said that, as a result of ICV's not overleveraging its investments, its investee companies' balance sheets remain stronger.

The firm launched fundraising efforts for the new fund in January 2005 without the assistance of a placement agent.

Woods said it was too early to comment on the internal rate of return for ICV's first fund, since it still has six active portfolio companies and only shows two realizations.

"Our portfolio is in very good shape," Woods added.

The portfolio includes a diverse set of businesses such as bakery foods company **Sterling Foods Ltd.**, audio after-market accessories supplier **AAMP of America Inc.**, eyewear company **Hilsinger Co.** and packaging company **Folding Carton Co.**

ICV makes investments in companies that have defensible market positions and strong management teams and offer growth opportunities via operational improvements. It will not invest in startup, technology or real estate businesses.

O'Melveny & Myers LLP partner Phillip Isom provided fund formation counsel to ICV