

## **ADVANTAGE CAPITAL INVESTS \$23 MILLION IN THREE MISSOURI COMPANIES**

*Missouri New Markets Development program spurs economic growth and job creation in low-income communities throughout the state*

ST. LOUIS, October 30, 2008 - Advantage Capital Partners, a leading venture capital and small business finance firm, has invested approximately \$23 million in three Missouri companies. The investments in Butler's Pantry, Jahabow Industries, Inc. and the Lawrence Group were made in connection with Missouri's New Markets Development program, an economic development tool that encourages small business investment in rural and emerging urban areas throughout the state. The financing from Advantage Capital has also enabled the flow of an additional \$12.6 million in follow-on capital to these Missouri businesses.

"These investments reflect our commitment to funding promising businesses located in Missouri communities that would benefit from an economic boost," said Scott Zajac, senior managing director at Advantage Capital. "Advantage Capital has built a strong and successful track record investing in emerging companies in Missouri. Over the years these efforts have resulted in the flow of hundreds of millions of dollars of investment capital into the state's economy."

"The Missouri New Markets Development program has enabled significant economic development throughout the state this year, and it will continue to enhance Missouri's appeal to new and existing growing companies, which will propel job retention and creation at a crucial time in our economy," said Missouri state Senator Scott Rupp (R-Wentzville).

Founded in 1966, Butler's Pantry is one of Missouri's largest and finest full service catering companies. Advantage Capital, in partnership with Southwest Bank, provided \$2.65 million of a total \$3.25 million transaction to Butler's Pantry. The funding will support the company's relocation to a larger facility in St. Louis' Lafayette Square neighborhood, allowing room for company expansion and additional new jobs. Butler's Pantry currently employs 300 people in an economically distressed area of St. Louis.

Jahabow Industries, Inc. is a complete provider of glass, wood and metal display case and store fixture solutions. Located in the rural community of Owensville, Mo., the company's manufacturing, office and warehouse complex covers nearly 250,000 square feet. Jahabow is the second largest employer in Owensville and currently employs more than 200 dedicated, skilled associates. Advantage Capital, in partnership with Southwest Bank, recently provided \$10 million in financing to Jahabow as part of a \$20 million transaction, enabling the company to continue its growth and innovation as a top manufacturer in the retail fixture industry.

Founded in 1983, the Lawrence Group is one of the largest and fastest growing international building design, planning and project delivery firms in St. Louis. The

company offers a variety of services to health care, education, media, corporate, retail, senior living and residential housing clients. Advantage Capital, in partnership with Southwest Bank, provided \$10 million to the Lawrence Group as part of a \$12 million financing. The funding will be used to support the company's continued expansion. The Lawrence Group currently employs 235 people, 198 of whom work in the company's St. Louis office.

"Since the program's inception, there have been several New Markets investments in our region," said Missouri state Senator Jeff Smith (D-St. Louis). "In a tough economy when financing is scarce, this capital has helped business owners obtain critical funding. I applaud Senator Scott Rupp for sponsoring the bill to create the program."

In December 2007, Advantage Capital raised a series of funds totaling \$126 million under the Missouri New Markets Development program. To date, Advantage Capital has invested more than \$78 million in 15 Missouri businesses in connection with the program. These investments represent a variety of industries including manufacturing, healthcare, cleantech, hospitality, information technology and more. As a result of this funding, the newly financed companies have created or retained a total of 1,073 jobs, and follow-on capital from other sources exceeds \$57 million.

#### **About Advantage Capital Partners**

Advantage Capital Partners ([www.advantagecap.com](http://www.advantagecap.com)) is a leading venture capital and small business finance firm focused on early stage companies and other investments supporting state and local economic development efforts. With offices and partners in St. Louis, New Orleans, Austin and other U.S. cities, Advantage has raised more than \$1 billion in capital since 1992 and invested in companies located in geographic areas underserved by traditional venture capital.

#### **About the New Markets Tax Credit program**

The federal New Markets Tax Credit program, administered by the U.S. Department of the Treasury, encourages private-sector investment in economically distressed communities through tax incentives. In a highly competitive allocation procedure, the Treasury Department awards the tax credits based on applications submitted for each tax year. Advantage has participated in the New Markets program since 2003, raising private capital for investment in low-income communities. These investments have spurred economic growth through innovative business ventures and job creation throughout the United States.

#### **About the Missouri New Markets Development program**

Enacted in 2007, the Missouri New Markets Development program encourages investment in promising small businesses located in distressed communities throughout the state. The program enables up to \$186 million of capital investment in Missouri's small businesses. The state program attracts investment in low-income communities through a state tax credit modeled after the federal New Markets Tax Credit. The goal of the program is to attract large, long-term investors to Missouri's low-income

communities, promoting new expansion, creating new job opportunities and building on existing growth in the state.

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