



## Press release

Chicago, 4 January 2018

### **Five Arrows Capital Partners buys The Stepping Stones Group from Shore Capital**

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Five Arrows Capital Partners (“Five Arrows” or “FACP”) and Shore Capital Partners (“Shore Capital”) are pleased to announce the sale of The Stepping Stones Group (“SSG”) to Five Arrows, with Shore Capital retaining a minority stake. The Stepping Stones Group is a provider of therapy and education solutions to children with special needs and autism in educational settings. Led by CEO Anthony Rintala, SSG has approximately 900 clinicians providing services to over 300 school districts and 42,000 children across more than 20 states in the US.

Five Arrows Capital Partners is the North American corporate private equity business of Rothschild Merchant Banking (“RMB”), the investment arm of Rothschild & Co. With offices in London, Paris, Luxembourg, New York and Los Angeles, RMB has c. \$9 billion of assets under management. Like RMB’s European corporate private equity business, Five Arrows Capital Partners is focused on investing in middle market companies with highly defensible market positions, business models with a proven history of generating attractive returns on invested capital across economic cycles and multiple untapped levers for value creation. Sector focus of FACP is on Healthcare; Business Services; and Data, Software & Technology-enabled Services.

Shore Capital Partners is a Chicago-based private equity firm focused exclusively on lower middle market Healthcare investments. Shore Capital supports management partners with capital, business development expertise, and industry knowledge to accelerate growth, and fund acquisitions. Shore Capital Partners has approximately \$600 million of equity capital under management through various investment vehicles.

Shore Capital Partners formed SSG and simultaneously acquired MyTherapyCompany and Cumberland Therapy Services in May 2014 to create a platform poised for organic and acquisition growth. In 2015, Shore Capital facilitated the recruitment of Anthony Rintala who brought more than 15 years of clinical recruitment and staffing expertise to the company. Under Anthony’s leadership, the Company streamlined sales and recruiting processes, developed professionalised back-end capabilities, expanded the digital marketing functions and built a premier technology platform that was integrated across operating divisions. SSG’s proprietary technology platform is highly customised to meet the unique needs of school districts and behavioral health clinicians.

The Company completed two add-on acquisitions: the acquisition of AlphaVista Services in June 2016 and Staffing Options & Solutions in June 2017 to accelerate growth and gain access to new geographies across the US. Each operating division has retained its unique brand identity but operates under The Stepping Stones Group platform. Today, the Company’s offering suite includes Speech Language Pathology (SLP) and Occupational Therapy (OT) services with an increasing focus on School Psychology, Special Education Teaching, and Applied Behavioral Analysis (ABA).

Anthony Rintala, CEO of SSG, noted that, *“Five Arrows is an ideal partner for the next phase of our growth. The Five Arrows team has significant experience scaling behavioral health companies and leveraging technology solutions. The Stepping Stones team is excited to continue building on the strong foundation that was put in place under Shore Capital’s ownership.”*

Ari Benacerraf, a founding Partner of FACP said, *“The Stepping Stones Group has developed a differentiated technology-led model which provides critical services to students at hundreds of school districts across the country. We are delighted to be working with Anthony and his team to continue to build the Company’s highly visible revenue base through organic and acquisition-driven growth, and become the provider of choice for the US school district community.”*



Ryan Kelley, a founding Partner of Shore Capital said, “*Our success with The Stepping Stones Group demonstrates what is possible when operating executives and investment professionals work together to build a business in a highly attractive market category. All key decisions were made with input from Shore Capital and the Board including development of the initial investment thesis and execution of a three-year growth plan.*”

Cain Brothers, a division of KeyBanc Capital Markets, provided M&A advisory services and Winston & Strawn provided legal advice to Shore Capital and The Stepping Stones Group. Five Arrows was advised by legal counsel at Pepper Hamilton. Madison Capital Funding, a New York Life Investments Company, provided debt financing in support of the acquisition.

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**About Rothschild Merchant Banking**

Rothschild & Co is a family-controlled and independent business that has been at the centre of the world’s financial markets for over 200 years. It is one of the world’s largest independent financial advisory groups, employing approximately 3,400 people in over 40 countries around the world. Our integrated global network of trusted professionals provide in-depth market intelligence and effective long-term solutions for our clients in Global Advisory, Private Wealth, Asset Management, and Merchant Banking.

Rothschild Merchant Banking is the investment arm of the Rothschild & Co group. It deploys the firm’s capital, alongside that of a select set of leading institutional and private investors. With global commitments of €7 billion, Rothschild Merchant Banking manages a series of funds dedicated to corporate and secondary private equity, co-investments, multi-managers funds, as well as senior and junior credits.