



Shred All, LLC

Des Moines, IA

Acquisition led by a “Fundless” Equity Sponsor

Shred All, LLC was a document destruction company whose owners were interested in gaining some liquidity from their investment. Midland Holdings, a “fundless” sponsor, had entered into a letter of intent to acquire the company and needed mezzanine financing to close the deal.



Centerfield learned of the opportunity from a senior lender in Illinois. The lender had been referred to Centerfield by another Chicago-based private equity fund because the \$3 million investment was too small for them. Centerfield quickly negotiated mezzanine financing with Midland Holdings and the senior lender, providing the sponsor the capital it needed to acquire Shred All. The structure of the deal enabled the sponsor to receive a promoted interest in its equity securities. Under Midland’s leadership, the company identified and concluded three add-on acquisitions in eighteen months.

Centerfield assisted the company by providing referrals to potential customers, market intelligence on competition, and by attending shows to help search for acquisition targets. Shred All was acquired by Iron Mountain (NYSE: IRM), a larger competitor, 15 months after Centerfield’s initial involvement. The earnings multiple paid for Shred All was significantly greater than Midland Holdings paid to acquire the company.