



Press Release

Watermill Group Wins Community Impact Award for Saving Michigan Paper Mill and 140 Jobs

[Watermill Recognized for Acquisition of Manistique Papers, Inc.](#)

Lexington, Mass. – March 18, 2013 – [The Watermill Group](#) is the proud recipient of the Restructuring Community Impact Award at the [7th Annual M&A Advisor Turnaround Awards](#) for the firm’s acquisition of Manistique Papers.

“The award winners represent the best of the M&A industry in 2012 and earned these honors by standing out in a group of very impressive finalists,” said Roger Aguinaldo, CEO of The M&A Advisor. “From lower middle-market to multi-billion dollar deals, we have recognized the leading transactions, firms and individuals that represent the highest levels of performance.”

In May of 2012, The Watermill Group acquired Manistique Papers, the only paper mill in North America producing high-value uncoated printing and writing paper exclusively from 100% recycled fiber. The mill, which currently employs 140 people, is the largest private employer in Michigan’s Schoolcraft County and an economic pillar for the region.

“We are honored to be recognized through this award for our work with the Manistique mill,” said Steven Karol, Founder and Managing Partner of The Watermill Group. “When we first discovered Manistique Papers, not only did we see a promising opportunity to revive an underperforming business, we also saw an exciting opportunity to revive an institution that’s the lifeblood of its community and region.”

The Watermill Group is applying its hallmark approach of combining unique strategic insight and management expertise to set the Manistique mill on a path of stability and growth. Watermill teamed its Manistique mill with another recycled mill in its portfolio, FutureMark Paper Company, to establish the most comprehensive line of coated and uncoated recycled printing papers made in North America. The two mills now operate in concert as [FutureMark Paper Group](#), the leading North American provider of responsibly made recycled paper for books and magazines, as well as for commercial printing and packaging applications

A Prime Example of Public-Private Partnership

The Manistique mill had been forced into bankruptcy in 2011, when its credit line was unexpectedly pulled. The Manistique mill was faced with liquidation and the permanent loss of about 150 jobs. As an economic engine for the region, the mill’s loss would have had devastating consequences on the close-knit community of Manistique, Mich., and on neighboring towns.



With just one day to spare in a seven-day deadline to rescue the mill, the mill's management team partnered with a local bank, [mBank](#), and the [Michigan Economic Development Corporation \(MEDC\)](#) to reach a deal with the previous lender to find a buyer. The Watermill Group acquired the Manistique mill in May, 2012, at a 363 Auction. The firm forged a cross-sector partnership with mBank and the MEDC to develop an effective and flexible financing structure.

"The Manistique acquisition was remarkable for how it brought together government entities, company management and the town to save this local institution," said Robert Ackerman, a partner at The Watermill Group. "The community's determination not only to save the mill, but to turn it into a sustainable, growing operation was truly impressive to us. It was a privilege to partner with mBank, the management team and the State of Michigan on this unusual cross-sector relationship."

About The Watermill Group

The Watermill Group (www.watermill.com) is a strategy-driven private investing firm that revitalizes companies to drive superior returns. For over three decades, Watermill has been acquiring, operating and improving companies. Watermill looks for businesses at a crossroads and applies a unique combination of strategic insight and management expertise to drive growth. The Watermill Group's current portfolio companies include C&M Corporation, Fine Tubes Ltd., FutureMark Paper Group, MultiLayer Coating Technologies LLC., Superior Tube Company and Tenere.

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