

Leading Distributor of Valves, Pipes and Tubes, Actuators, +- Poised for Quantum Growth

The Company operates from a 10,000 square-foot facility in XXXXX, Oklahoma. Its revenue mix is composed of wholesale distribution sales of a wide variety of valves (17% of 2009 sales), pipes and tubes (14%), valve actuators and accessories (13%), fittings (7%), flanges (3%) and many other products (46%). The variety of valves offered include ball, check, metering, gate, globe, and other types of valves. Pipe and tube offerings include carbon steel and stainless steel, ranging from 1/8-inch to 36-inch sizes.

The Company currently has more than 1,700 customers, including 568 active accounts. The customer base is composed of energy processing companies (25% of 2009 sales), chemical manufacturers (25%), plant maintenance firms (25%) and industrial plant construction firms (25%).

The Company's top five customers generated 32.1% of the Company's sales in 2009. The geographic markets served are concentrated in the Midwest (65% of sales) and the Southwest (35%).

Most products are in-stock, as approximately 15% of all orders are drop-shipped to the customer. In-stock items are typically shipped the same day. Non-stock items are typically shipped to the customer the same day that the order is received by GMA, which is usually about one week from order placement.

An impressive fixed asset base consists of a variety of operating equipment, rolling stock, and office equipment. The Company currently owns three delivery trucks (including a 2006 24-foot International flatbed truck), three forklifts, a generator, pipe cutter, welder, air compressors, three threaders, pipe and pallet racks, and many other pieces of equipment and tools.

Through an experienced management team and employee base of 18 full-time workers, the Company is uniquely positioned for impressive growth. The shareholders have created a culture and environment that is forward thinking, and the Company has the ability to ascend beyond its current state with a new owner.

Revenue Trends for Client #80145

- Historical sales decreased from \$10.7 million in 2007 to \$8.3 million in 2009 due to the economic recession.
- Sales for base year 2010 are estimated to increase 26.4% to \$10.5 million.
- Sales are projected to grow at a compound annual rate of 9.1% per year over the next five years to \$16.2 million

