

DEALS

Granite Creek Capital Partners Invests in Royal Biologics

The deal is the Chicago firm's first out of its \$200 million second fund

By **Laura Cooper**

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Less than a month after closing its second fund, Granite Creek Capital Partners has struck its first deal out of the vehicle for medical-device and biologics producer Royal Biologics LLC.

The private-equity firm will invest \$7.5 million in Royal Biologics, with the option to invest another \$7.5 million, according to Mark Radzik, a partner at the Chicago firm.

In late May, the firm—which targets lower middle-market deals—closed Granite Creek FlexCap II LP with \$200 million in commitments. Granite Creek initially targeted about \$150 million, WSJ Pro has reported.

Royal Biologics, which has offices in Jersey City, N.J., focuses on regenerative cellular therapy, using cells to promote healing. It also manufactures and distributes devices and biologics, Granite Creek said Wednesday in a news release.

These products include amniotic fluid, a bone marrow aspirate needle, and a cancellous sponge that can be used to fill bone defects and provide scaffolding to promote bone generation. The company was founded in 2015, according to its website.

The investment is one in a total of 15 to 20 that the firm expects to make from its latest fund. Granite Creek invests in companies in the manufacturing, business services, health-care and agribusiness segments.

The firm takes both control and minority stakes, along with providing senior and mezzanine debt, in companies with \$3 million to \$15 million in earnings before interest, taxes, depreciation and amortization.