



Investment Firm GPX Enterprises Launches PE Arm

by SHASHA DAI

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GPX Enterprises LP, a private investment firm based in the Philadelphia area, has gotten into the private equity business, launching an arm that focuses on making deals in the lower end of middle market.

GPX was formed in 2005 by Thomas J. Gravina and Michael A. Peterson, former executives of telecommunications company ATX Communications Inc. Since its inception, GPX has invested primarily in real estate, through its GPX Realty Partners LP subsidiary.

It recently entered the private equity arena, attracted by demand for both capital and operational expertise from small businesses, said GPX Vice President Eric L. Steager, a member of the firm's new PE team.

GPX doesn't currently have a fund for the new endeavor and instead deploys capital from the firm's principals, their families and friends, as well as from a handful of institutional investors. The identity of those investors weren't disclosed.

"We chose not to raise a fund based on the thesis that we want to be opportunistic," Steager said. He didn't rule out the possibility that GPX could raise a fund in the future, however.

GPX will look at a range of transactions, including growth equity investments, turnaround situations, leveraged buyouts and recapitalizations. The firm has closed its first deal, which could be announced as early as this week.

The newly-formed operation will target transactions valued at \$15 million to \$150 million that require equity capital contributions of up to \$50 million apiece. It will focus on telecommunications, business services, and niche manufacturing companies, and rely primarily on relationships developed by GPX's principals to generate deal flow.

Geographically, GPX will zero in on targets in the Mid-Atlantic region, and more broadly, within the I-95 corridor stretching from Boston to Atlanta, said Steager.

The PE team is led by Managing Director Jeff Coursen, also a former executive of ATX Communications, based in Philadelphia.

Gravina formed ATX in the 1980s, and in 2000 merged the company with publicly-traded CoreComm Ltd., from which Peterson had come, according to GPX's Web site. Gravina retired as ATX's president and chief executive in 2005, when he and Peterson formed GPX.

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