



## **Pharos Capital Acquires MOTION PT Holdings**

*Forms New Company Through Consolidation of Leading New York Physical Therapy Practices*

Dallas, Texas and Nashville, Tennessee, June 25, 2015 - Pharos Capital Group, LLC ("Pharos"), a private equity firm based in Dallas and Nashville, has acquired a controlling position in MOTION PT Holdings, Inc. ("MOTION"), a leading provider of physical therapy and occupational therapy services in New York. MOTION was formed through the combination of Brooklyn-based MetroSportsMed with Manhattan-based STAR Physical Therapy. Terms of the transaction were not disclosed.

David S. Menche, M.D., an orthopedic surgeon and founder of MetroSportsMed, will become Chairman of MOTION PT Holdings, and Edward R. Miersch of MetroSportsMed will become CEO and President of MOTION. Michael Fox and Benjamin Gelfand of STAR will become MOTION'S Chief Clinical Director and Chief of Clinical Services, respectively. The company will continue to use the MetroSportsMed and STAR brands for the foreseeable future.

MOTION's day to day operations will be led by Mr. Miersch, who brings decades of experience as an operator in the physical therapy industry. He will lead efforts to grow MOTION through the roll-up of physical therapy businesses both within New York and into expanded geographies.

Jim Phillips, Partner at Pharos, said, "Pharos has unique experience with underserved markets and mid-sized healthcare businesses, and we are delighted to be working with Dr. Menche, Ed, and the MOTION management team to find bolt-on acquisition opportunities that will help the platform build the premier physical therapy network." Pharos Principal Joseph Acevedo added, "As hospitals across the country look to defray costs, we believe MOTION can capitalize on the movement by healthcare systems to outsource physical therapy services to expert third party providers. MOTION is well positioned to take advantage of this trend and expand its network."

"All of the principals here at MOTION are pleased with the direction of the new company. We are excited to partner with Pharos to offer proven, evidence-based treatment that results in positive outcomes to more patients as we expand both within and beyond our New York base," said Dr. Menche.

Mr. Miersch noted, "Partnering with a well respected investment firm will give us the resources and capital to rapidly execute on our growth strategy in this fragmented, consolidating market."

### **About MOTION PT Holdings**

MetroSportsMed was established in 1995 by David S. Menche, M.D. The company combined with STAR Physical Therapy in 2015 to form MOTION PT Holdings. Today, MOTION has approximately 165 employees. Headquartered in Brooklyn, New York, with 10 locations, the company is a leading provider of comprehensive physical and occupational therapy services in Brooklyn, Manhattan and Long Island.

### **About Pharos Capital Group**

Based in Dallas and Nashville, Pharos Capital Group is an SEC Registered Investment Advisor. Since inception, Pharos has invested in 46 companies and has managed over \$1 billion of assets. Pharos typically invests \$25-\$50 million in rapidly growing middle market companies seeking later stage funding for internal growth, acquisitions, leveraged buyouts, management buyouts, or recapitalizations across industry sectors, with particular focus on healthcare and business services.

