

Remuda Ranch Company

Wickenburg, Arizona

Type of business: Provider of behavioral healthcare services

Situation

Prospect Partners and management acquired Remuda Ranch from its publicly traded parent company in July, 2001. Before that time, Remuda had passed through multiple corporate owners and received little assistance or attention – in some cases the company was treated as a provider of cash flow to fund non-Remuda-related activities. The management team had no ownership stake in the business. Remuda was truly an “orphan.”

Our Strategy

Remuda Ranch was the nation’s leading specialty behavioral treatment center for women suffering from eating disorders and related issues and used a unique faith-based treatment approach management felt was a significant factor in the company’s high patient success rate. Remuda’s growth needed to benefit everyone – patients, employees and shareholders. Toward that end, we gave management equity in the business so they became owners alongside Prospect Partners. We also sought to give Remuda’s management team, led by founder and CEO Ward Keller, the financial support and strategic guidance it needed to build a stronger, more valuable business that also remained true to the company’s heritage.

Results

From 2001 to 2006, Mr. Keller and his team continued to build on Remuda Ranch’s success. With our support, Remuda Ranch expanded its program offerings, reached new geographic markets and implemented a number of new strategic marketing and patient referral initiatives. These efforts all helped to solidify Remuda’s position as the national leader in its market segment.



Exit

In July 2006, Prospect Partners sold its interest in Remuda Ranch Company for a significant gain to a strategic buyer and Remuda’s management team.

Our Philosophy

To work with management as fellow shareholders and partners, to sit “on the same side of the table” and collaboratively address the varied needs of the business to ensure Remuda Ranch received the resources it needed to maximize its value over time.

“During our five-year relationship, Prospect Partners lived up to its name ‘partners,’ and its reputation of complete integrity. Its investment and Board-level leadership brought to us financial strength, wisdom and knowledge that dramatically enhanced the value of our company, far beyond anything we could have imagined.”

Ward Keller

Founder and CEO, Remuda Ranch Company