



820+ active intermediaries in 2018

Over 70% closed 3 or less deals



100+ firms sold a business to a sponsor for the first time in 2018

- 10%+ closed 2 or more deals in their first year!



230+ firms active in 2017 were NOT active in 2018

- Only 1/3 were new in 2017, meaning the majority of YoY churn is fueled by firms that are active over multiple years and then drop off



330+ firms – potential relationship churn, each year

- How do you currently identify new firms and filter out inactive ones?

Top Firms for Sponsor Buyouts		
Buyouts	City	State
Harris Williams	Richmond	VA
William Blair & Co.	Chicago	IL
Raymond James	St. Petersburg	FL
Robert W. Baird	Milwaukee	WI
Houlihan Lokey	Los Angeles	CA
Goldman Sachs	New York	NY
Piper Jaffray & Co.	Minneapolis	MN
Lincoln International	Chicago	IL
Jefferies & Co.	New York	NY
Barclays Capital	New York	NY
Moelis & Company	New York	NY
Evercore Partners	New York	NY
J.P. Morgan Chase	New York	NY
Morgan Stanley	New York	NY
BB&T Capital Markets	Richmond	VA
Credit Suisse	New York	NY
Deloitte Corporate Finance	New York	NY
Capstone Headwaters	Boston	MA
Citigroup	New York	NY
Edgepoint Capital	Beachwood	OH
Generational Equity	Dallas	TX
Quarton International	Birmingham	MI
RBC Capital Markets	Toronto	ON
Bank of America Merrill Lynch	New York	NY
BlackArch Partners	Charlotte	NC
BMO Capital Markets	New York	NY
Guggenheim Partners	Chicago	IL
Petsky Prunier	New York	NY
Stifel, Nicolaus & Co.	St. Louis	MO
Centerview Partners	New York	NY



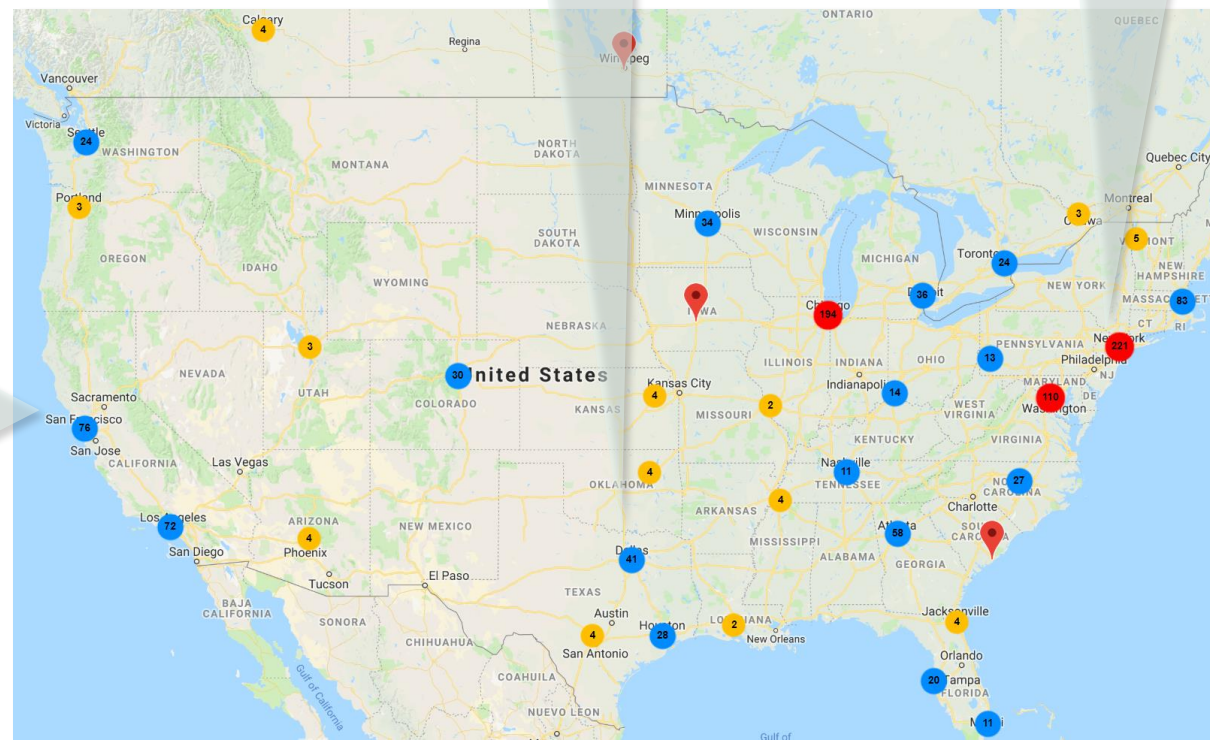
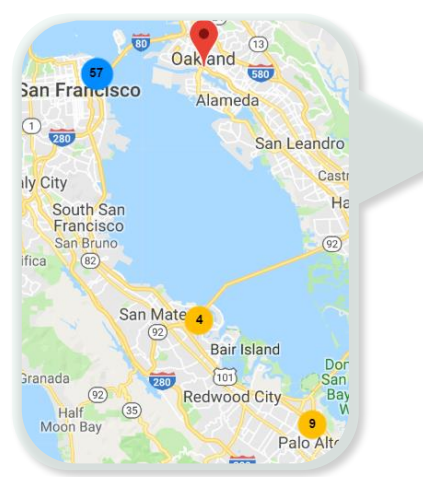
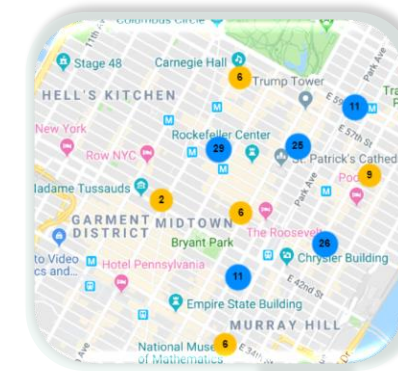
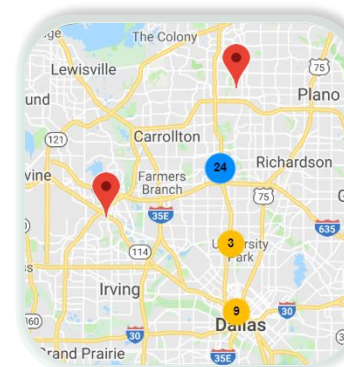
Where should you travel?

Intermediary professionals based in **246** unique cities closed at least one deal in 2018

City	State
New York	NY
Chicago	IL
Boston	MA
San Francisco	CA
Richmond	VA
Atlanta	GA
Los Angeles	CA
Dallas	TX
Houston	TX
Denver	CO
Minneapolis	MN
Milwaukee	WI
Charlotte	NC
Toronto	ON
Seattle	WA
Cleveland	OH
Baltimore	MD
Birmingham	MI
McLean	VA
Tampa	FL

Heat map - # of professionals per city, that closed 1+ deal to sponsors in 2018

Top locations, sorted by # of active professionals





DOBR – Deal Sourcing Metrics

Sample Client (SFMM)

LTM period: 6/30/2018
 Dataset Core Target
 Deal Size 50-500 MM EV

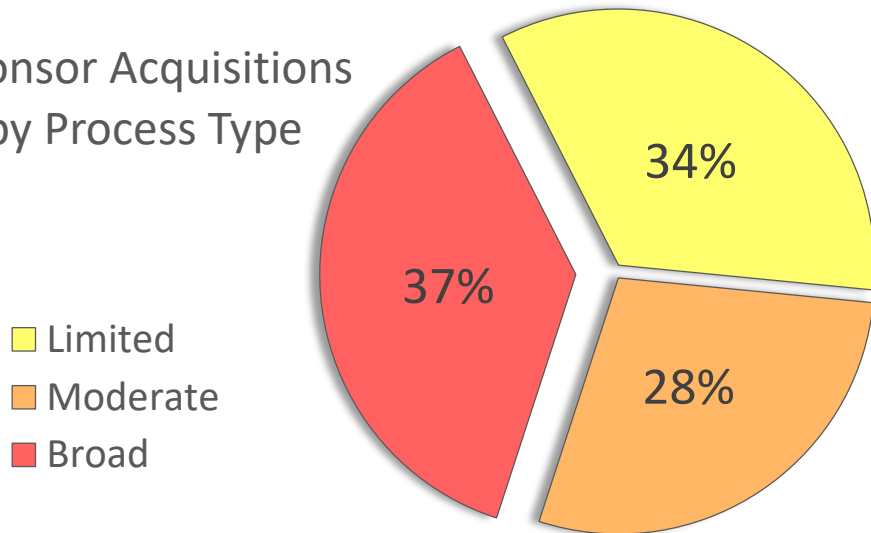
Client Stats ↓	Peer Group Stats				All Sponsor Stats				
	Sector Focused, Middle Mkt								
	Median	Max	Min	Top Quartile	Median	Max	Min	Top Quartile	
Market Coverage									
Deals by All Intermediaries ¹	33.3%	29.7%	45.0%	13.5%	38.1%	17.1%	45.1%	3.0%	27.1%
Deals by Boutique Intermediaries ²	19.0%	19.3%	40.0%	8.3%	26.4%	10.8%	41.2%	0.8%	15.5%
Deals by Most Active Intermediaries ³	37.3%	34.5%	52.4%	12.8%	39.0%	19.6%	53.2%	3.4%	30.7%
% change - 6M Prior (All Ints.) ⁴	8.1%	-1.2%	8.1%	-8.6%	2.0%	0.5%	13.6%	-8.6%	1.7%
% change - 12M Prior (All Ints.) ⁵	8.3%	0.2%	9.6%	-7.8%	2.7%	0.6%	30.2%	-12.2%	3.0%
Sell-Side Process Mkt Cov									
Limited	1.0%	0.5%	22.2%	0.0%	9.4%	0.2%	22.2%	0.0%	1.5%
Moderate	5.5%	6.9%	38.5%	0.0%	24.3%	4.2%	40.5%	0.0%	7.9%
Broad	41.4%	42.2%	63.6%	20.2%	51.5%	33.2%	72.6%	6.7%	44.1%
Macro Metrics									
Deals/Intermediary in Target Market ⁶	2.79	2.79	3.34	2.47	N/A	2.82	3.34	2.08	N/A
# of BD Professionals ⁷	2	1	3	0	N/A	1	10	0	N/A
Annual Dealflow ⁸	210	408	1,356	180	N/A	560	5,062	86	N/A
Client Target % of Total Market ⁹	15.6%	25.3%	33.0%	10.4%	N/A	54.3%	100.0%	9.8%	N/A



It's 2019 – **Why** source like it's still 2018?

Valuations and dry powder are at record highs, with no signs of slowing down
Traditional sourcing methods struggle to compete in a non-traditional market
Use data, technology, analytics and automation to your advantage

Sponsor Acquisitions
by Process Type



Together, Limited and Moderate processes represent **62% of all sponsor acquisitions!**

Better deal sourcing = Better fund returns



How to stand out...

SPS Alerts

- Actionable info on new advisors, relevant deals, and specific bankers
- Proactive reminders on broken processes still in market

SPS Market Coverage Analysis

- Prioritize existing relationships and identify new ones
- Leverage sourcing performance metrics for LP reporting

SPS Sell Side Process Index

- Avoid broad auctions and target advisors running quieter processes

SPS Mobile App (IOS & Android)

- Lookup deals/firms/profs on the fly, and compile tear sheets before a trip
- Keep the schedule full by finding relevant professionals near your location

SPS Fusion

- Integrated across leading CRMs



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