



PRIVATE EQUITY CAREER NEWS

PE Best Practices: Top Tactics in Deal Sourcing to Finish the Year Strong

Featured Speakers:

Nadim Malik, Founder and CEO, Sutton Place Strategies

Ian Larkin, Managing Director, Maranon Capital

Richard Prestegaard, Partner-Business Development, High Road Capital Partners

Charlotte Franson, Private Equity Coverage Manager, Capstone Headwaters

Moderator: David M. Toll, Publisher, *Private Equity Career News*



Founded by PE professionals to dramatically improve deal sourcing effectiveness through data

Sell-side professionals linked to specific deals with contact information

SPS Lender & Advisor Portals launched, extending our M&A offering

Shift made from quarterly to Real time data updates

Release of SPS Fusion: SPS now integrates with leading CRM systems

Fall 2009

2012

2013

2015

2016

Early 2017

Fall 2017

Spring 2018

Fall 2018

2019

Begin tracking strategic acquisitions in addition to sponsor acquisitions

We go online. SPS Private Equity Portal launched

SPS Mobile App released

SPS Alerts go live

Portfolio Status and Deal History now available. Proactively source sponsor-held companies



Intermediary Analysis

LTM June 2019*

Firm	City	State	# of Deals	% of Total	Cumulative % of Total
Houlihan Lokey	Los Angeles	CA	111	2.7%	2.7%
Raymond James	St. Petersburg	FL	94	2.3%	5.0%
William Blair & Co.	Chicago	IL	80	2.0%	7.0%
Robert W. Baird	Milwaukee	WI	78	1.9%	8.9%
Goldman Sachs	New York	NY	74	1.8%	10.7%
Lincoln International	Chicago	IL	73	1.8%	12.5%
Harris Williams	Richmond	VA	64	1.6%	14.1%
Evercore Partners	New York	NY	61	1.5%	15.6%
Piper Jaffray & Co.	Minneapolis	MN	59	1.4%	17.0%
J.P. Morgan Chase	New York	NY	56	1.4%	18.4%
Jefferies & Co.	New York	NY	55	1.3%	19.7%
Moelis & Company	New York	NY	52	1.3%	21.0%
Generational Equity	Dallas	TX	49	1.2%	22.2%
Morgan Stanley	New York	NY	46	1.1%	23.3%
Sandler O'Neill & Partners	New York	NY	44	1.1%	24.4%
Marsh, Berry & Company	Willoughby	OH	41	1.0%	25.4%
Bank of America Merrill Lynch	New York	NY	37	0.9%	26.3%
Barclays Capital	New York	NY	36	0.9%	27.2%
Citigroup	New York	NY	33	0.8%	28.0%
Lazard	New York	NY	32	0.8%	28.8%
RBC Capital Markets	Toronto	ON	30	0.7%	29.5%

Out of 789 active Intermediaries,
68.4% completed 3 deals or less...

How are you covering the relevant deal sources?

# of Firms		# of Deals	% of Total	Cumulative % of Total
17	Completed 20-29 Deals	412	10.1%	39.6%
17	Completed 15-19 Deals	292	7.2%	46.8%
45	Completed 10-14 Deals	542	13.3%	60.0%
100	Completed 5-9 Deals	646	15.8%	75.9%
49	Completed 4 Deals	196	4.8%	80.7%
62	Completed 3 Deals	186	4.6%	85.2%
126	Completed 2 Deals	252	6.2%	91.4%
352	Completed 1 Deal	352	8.6%	100.0%
Totals**		4,083	100.0%	

*Includes PE and M&A transactions completed in LTM June 2019, \$10+ MM in transaction value, with a confirmed intermediary.

**Total exceeds actual number of deals closed due to multiple intermediaries on some transactions.

Summary Table

All PE Firms & Peer Groups

ALL PE FIRMS	MEDIAN	MAX	MIN	TOP QUARTILE
All Intermediaries ¹	18.8%	51.1%	2.7%	27.7%
Boutique Intermediaries ²	9.8%	51.7%	0.8%	16.9%
Most Active Intermediaries ³	21.2%	55.0%	3.0%	31.5%
GENERALIST⁴				
Middle Market (50+ MM EV)	30.7%	41.8%	6.0%	32.3%
Lower Middle Market (10+)	12.3%	37.1%	2.7%	18.2%
QUASI-GENERALIST⁵				
Middle Market (50+ MM EV)	29.7%	45.4%	11.0%	35.1%
Lower Middle Market (10+)	12.8%	25.3%	4.2%	20.0%
SECTOR-FOCUSED⁶				
Middle Market (50+ MM EV)	28.3%	51.1%	13.5%	38.3%
Lower Middle Market (10+)	13.7%	29.7%	7.4%	22.3%
DEAL SIZE ONLY				
Upper Market (250+ MM EV)	24.4%	43.2%	8.4%	38.9%
Lower Market (10-49 only)	5.4%	12.5%	3.0%	8.9%

Foot Notes

* As of the LTM period ending June 2019, based on SPS' 144 clients that qualified for the annual Deal Origination Benchmark Report (DOBR).

¹ Percentage of completed deals with a PE buyer and sell-side advisor in relevant size ranges and sectors, that were reviewed by a PE firm.

² Mkt Cov of transactions in a PE firm's target market represented by sell-side advisors closing only 1-2 deals per year to a PE buyer.

³ Mkt Cov of transactions in a PE firm's target market represented by sell-side advisors closing 3 or more deals per year to a PE buyer.

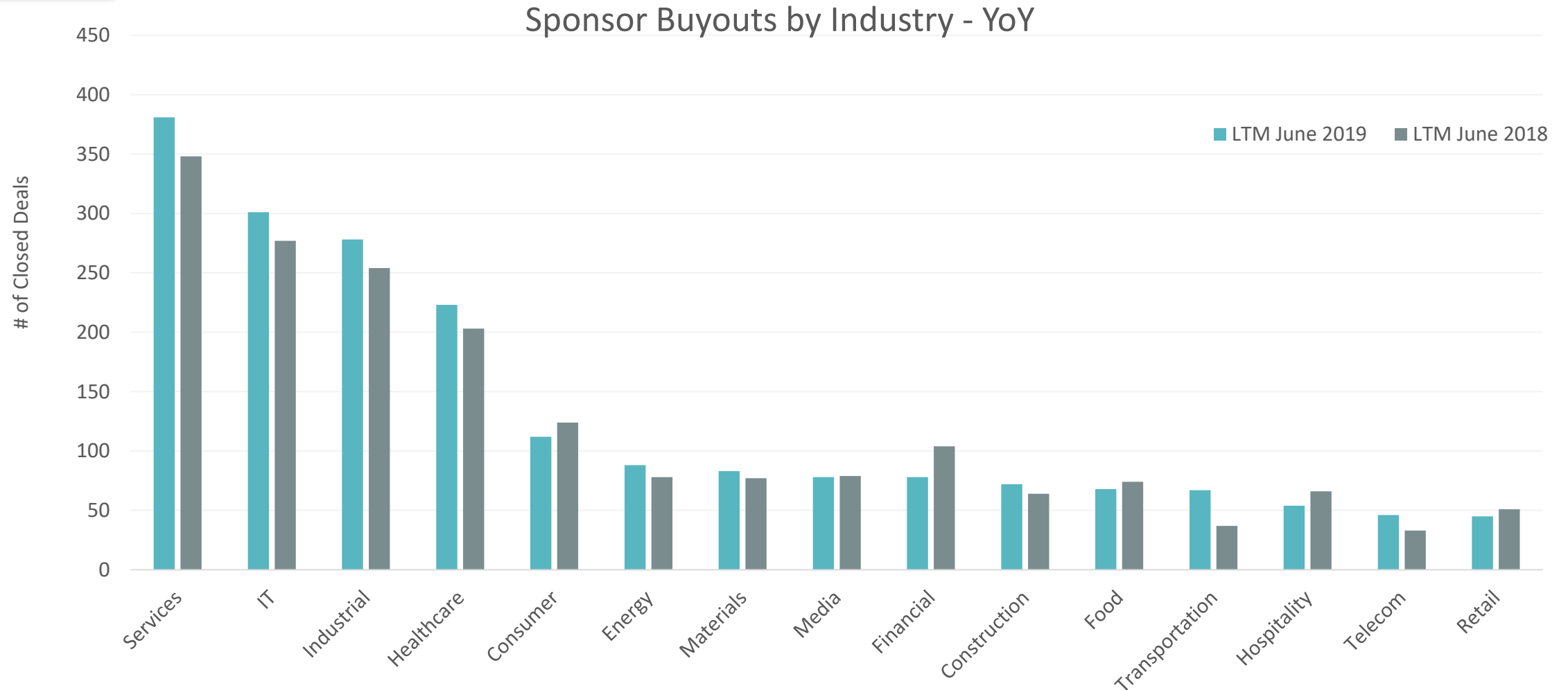
⁴ Groups that consider 70%-100% of deals in their target size ranges to be in relevant industries.

⁵ Groups that consider 34%-69% of deals in their target size ranges to be in relevant industries.

⁶ Groups that consider 0%-33% of deals in their target size ranges to be in relevant industries.



Sponsor Buyouts by Industry - YoY



Deal Sourcing Metrics

Generalist Peer Groups

LOWER MIDDLE MARKET (10+ MM EV)

	MEDIAN	MAX	MIN
BD Professionals ⁵	1	10	0
Pipeline Closing % ⁶	34%	43%	10%
Annual Dealflow ⁷	994	5,462	291
Unique Intermediaries ⁸	238	596	102
Deals Sources Per Unique Intermediary ⁹	3.2	3.5	3.2

MIDDLE MARKET (50+ MM EV)

BD Professionals ⁵	1	5	0
Pipeline Closing % ⁶	39%	62%	24%
Annual Dealflow ⁷	846	2,337	314
Unique Intermediaries ⁸	203	437	93
Deals Sources Per Unique Intermediary ⁹	3.6	4.6	2.5

Foot Notes

⁵Number of professionals spending a majority if not all of their time sourcing deals.

⁶Percentage of a sponsor's pipeline that successfully closes. Date Seen range lags 12 months to account for closing time.

⁷Number of deals logged per PE firm in the LTM period.

⁸Number of sell-side advisors in a PE firm's pipeline over the LTM period, that have closed at least 1 deal as per SPS data.

⁹Average # of deals sourced per unique intermediary.

Deal Sourcing Metrics

Sector Focused Peer Groups

LOWER MIDDLE MARKET (10+ MM EV)

	MEDIAN	MAX	MIN
BD Professionals ⁵	1	5	0
Pipeline Closing % ⁶	37%	49%	13%
Annual Dealflow ⁷	304	1,656	137
Unique Intermediaries ⁸	102	428	56
Deals Sources Per Unique Intermediary ⁹	2.1	4.3	1.5

MIDDLE MARKET (50+ MM EV)

BD Professionals ⁵	1	3	0
Pipeline Closing % ⁶	31%	58%	21%
Annual Dealflow ⁷	398	1,547	181
Unique Intermediaries ⁸	114	324	46
Deals Sources Per Unique Intermediary ⁹	2.5	4.0	1.9

Foot Notes

⁵Number of professionals spending a majority if not all of their time sourcing deals.

⁶Percentage of a sponsor's pipeline that successfully closes. Date Seen range lags 12 months to account for closing time.

⁷Number of deals logged per PE firm in the LTM period.

⁸Number of sell-side advisors in a PE firm's pipeline over the LTM period, that have closed at least 1 deal as per SPS data.

⁹Average # of deals sourced per unique intermediary.



How to stand out...

SPS Alerts

- Actionable info on new advisors, relevant deals, and specific bankers
- Potential broken processes and PE portfolio targets

SPS Market Coverage Analysis

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

SPS Sell Side Process Index

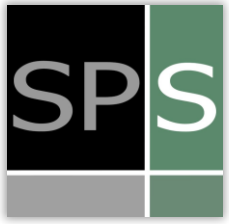
- Avoid broad auctions and target advisors running quieter processes

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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Maranon Capital

maranon

Maranon

Private credit manager focused exclusively on the middle market

Founded in 2007

Headquarters in Chicago, Illinois

Team of 37⁽¹⁾

Invested \$5.5 billion since 2007

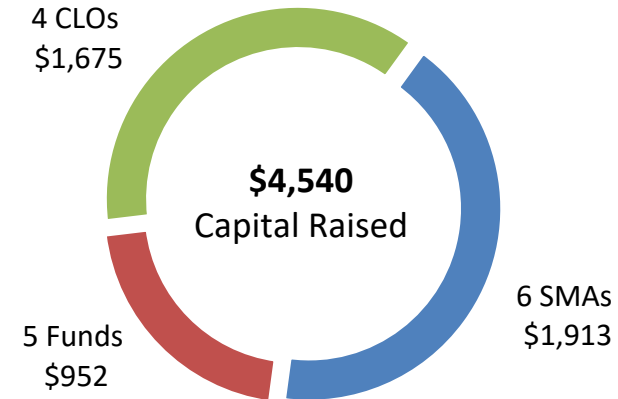
239 investments

128 Exits

\$1.3 billion of co-investment for investors and others

Data as of 6/30/2019; \$ in millions
(1) As of 9/6/2019

Capital Raised



Investments Across Strategies

	No. of Investments	Dollars Committed
1 st Lien	144	\$3,350
Unitranche	19	1,288
2 nd Lien	13	156
Mezzanine	31	602
Equity Co-Invest	32	89
Total:	239	\$5,485

Sourcing Program Leverages Team & Technology

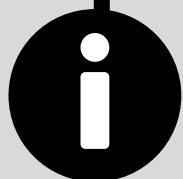
Maranon CRM



Deal Sourcing

All Maranon investment team members involved in sourcing from private equity and investment banking firms. Managing Directors and Principals focus on senior levels, while Vice Presidents and Associates build contacts with their peers. Ensures that Maranon entrenches relationships

CRM used to track professional turnover at target firms. Ensures continuity of existing relationships and potential “new” deal sources



Opportunity Pipeline Information

Over 100 standard input fields are available for each transaction. Whether Maranon elects to pursue an opportunity or terminate it immediately, our goal is to capture as much data as possible

Having a historical database allows the investment team to track company performance over a long period of time at each “trade”



Market Data Gathering: Done Deal Database

Monitor and track all deals Maranon reviewed for ultimate outcome

Use technology to monitor 700+ private equity and investment banking websites for changes in personnel and portfolio sections

Use third party database to track every deal Maranon did not see. This data informs changes in Maranon’s deal sourcing program

Maranon Sourcing Process

3 Key Relationship Building Initiatives		Maranon CRM			
<div>Systematic Calling Program</div> <div>Over 9,000 accounts and over 45,800 contacts are tiered (1-A through 4-E). Calling program contacts (tiers 1A-3C) are assigned to a specific Maranon team member and a phone call or a meeting is automatically generated according to a predetermined schedule (45 to 360 days)</div> <div>Maranon Calling Program includes Tiers 1,2,3: Top 1,000 accounts</div>	<div>Account Tier</div> <div><div><div>102 Accounts 1,171 Contacts</div><div>Tier 1</div></div><div><div>121 Accounts 2,184 Contacts</div><div>Tier 2</div></div><div><div>768 Accounts 6,651 Contacts</div><div>Tier 3</div></div><div><div>8,051 Accounts 35,819 Contacts</div><div>Tier 4</div></div></div>				
<div>Scheduled City Visits</div> <div>Entire team is assigned coverage by geographic region: 9 primary, 6 secondary markets</div> <div>Contact Location</div> <div><table><tr><td>18%</td><td>28%</td><td>40%</td><td>14%</td></tr></table></div>	18%	28%	40%	14%	<div>Maranon Transaction Data</div> <div>Track to resolution every Maranon opportunity (lender, price, structure, key terms)</div> <div>Over 9,500 Opportunities. Information on Maranon’s key relationships</div>
18%	28%	40%	14%		
	<div>Market Transaction Data</div> <div>Monitoring industry databases, press releases and websites for transactions</div> <div>Team reviews transaction activity with Tier 1,2 and 3 relationships</div> <div>Over 21,000 Transactions. Up to date information on market competition, pricing and terms</div>				
<div>Brand Building Program</div> <div>Email campaigns, conferences, white papers & speaking engagements</div> <div>2018: 50 events and 13 targeted emails</div>	<div>Key Tenets</div> <div>Efficiently and effectively cover a highly fragmented market</div> <div>Focus on highly relevant sources of opportunities: 1,100+ firms in 15 key cities</div> <div>Team based approach using all investment professionals on common CRM platform</div> <div>No origination-based compensation</div> <div>Use of technology and data</div>				

Sourcing Initiatives: Using Our Data in a Different Way

Targeted email and call campaign to facilitate \$75 MM of mezzanine to deploy by 3/31/20

Targets: 366 (710 contacts) independent sponsors and 85 (209 contacts) small fund sponsors, lower middle market funds

Results TBD, but mezzanine opportunities up 2.4% YTD and Total Sub. Debt (\$MM) opportunity up 71.1% Quarter 1 to Quarter 2

Tier 1,2 “dormant” campaign: Examined deal flow YTD 6/15/19 from Tiers 1,2 and targeted firms that had dropped (25% or more) from 2018

Correlated calling activity and deal volume

55% of these accounts showed an increase or no change in annualized deal flow (17% were up 25% or more)

45% of these accounts showed a decrease in annualized deal flow (31% were down 25% or more)

Primary sources of deal flow in 2018 remained consistent or grew in 2019

Greater variability among the smaller sources of deal flow (i.e. more likely to be down more than 25%)

Key follow-up related to capital markets desks. Increasing number of lenders in calling program.

Especially important for CLO business

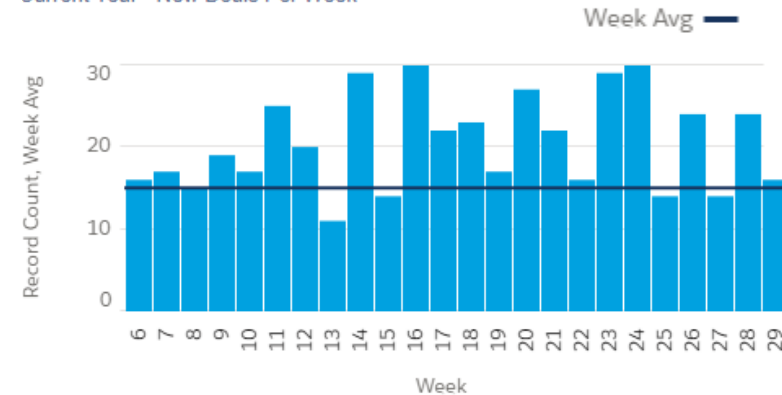
Targeted high-priced mezzanine deals in BDC portfolios. We ended up with about 60 qualified opportunities, but nothing immediately actionable

Pipeline KPIs and Origination Scorecard

	Monthly Analysis		Fiscal Quarterly Analysis		Fiscal Quarterly Analysis		Year to Date Analysis	
	Current Month 6/1/2019 6/30/2019	% Change Prior Year	Current Quarter 4/1/2019 6/30/2019	% Change Prior Quarter	Current Quarter 4/1/2019 6/30/2019	% Change Prior Year	Current Year 1/1/2019 6/30/2019	% Change Prior Year to Date
Pipeline Statistics								
# of New Inv. Opportunities	100	7.5%	295	23.4%	295	16.6%	534	2.3%
Avg. # of New Inv. / Week	16.7	-10.4%	21.1	23.4%	21.1	8.3%	19.8	-1.5%
Transaction Type								
Buyout	73.0%	9.0%	72.5%	36.3%	72.5%	12.6%	69.5%	-1.9%
Recapitalization	2.0%	-60.0%	4.7%	-39.1%	4.7%	-26.3%	6.9%	-5.1%
Refinance	8.0%	14.3%	7.1%	-12.5%	7.1%	75.0%	8.4%	40.6%
Growth Capital	4.0%	0.0%	4.1%	50.0%	4.1%	-7.7%	3.7%	-13.0%
Add-on Acquisition	10.0%	25.0%	8.8%	44.4%	8.8%	62.5%	8.2%	12.8%
Debt Purchase	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
ESOP	0.0%	0.0%	0.3%	-50.0%	0.3%	100.0%	0.6%	200.0%
Other	3.0%	50.0%	2.4%	0.0%	2.4%	133.3%	2.6%	40.0%
Deal Source Type								
Private Equity	71%	34.0%	65%	24.7%	65%	29.7%	65%	12.3%
Intermediary	21%	-27.6%	25%	5.6%	25%	-8.5%	27%	-12.6%
Lender	7%	-12.5%	8%	91.7%	8%	21.1%	7%	-12.5%
Other	1%	-66.7%	2%	150.0%	2%	25.0%	1%	0.0%
Source Tier (Actionable)								
1	80	-15.0%	21%	4.5%	21%	12.2%	23%	-9.1%
2	11%	-40.0%	17%	15.2%	17%	-19.1%	18%	-12.3%
3	35%	55.6%	35%	92.7%	35%	71.7%	31%	17.6%
4	33%	44.4%	27%	45.2%	27%	29.8%	27%	13.2%

Current Year - New Deals Per Week

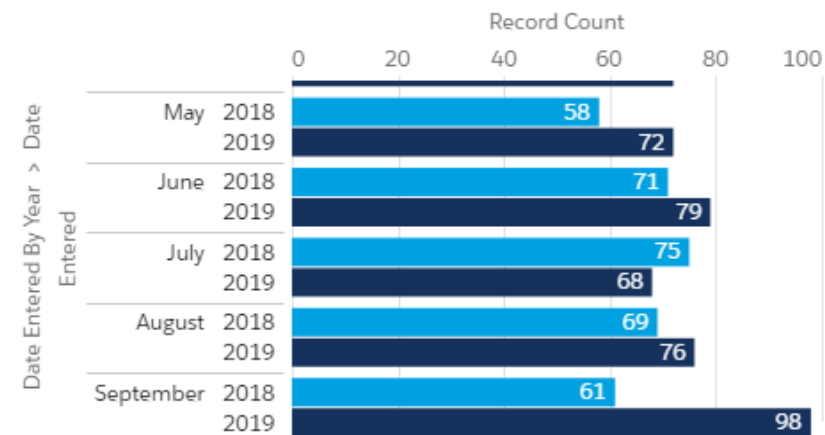
Current Year - New Deals Per Week



[View Report \(Weekly Pipeline Week Current CY\)](#)

Account Name	Captain	Category	Total Score	Most Recent Deal	Deal Growth	Last Activity	Last 90 Days Interaction Score	2019 Done Deals
Albion Capital	Rommel Garcia	Private Equity	20%					0
Albion Capital - Bank of America	Richard Jander	Lender	46%					3
Albion Capital - Bank of America	Darin Schmalz	Lender	46%					9
Albion Capital - Bank of America	Laura Albrecht	Private Equity	48%					1
Albion Capital - Bank of America - L.P.	Greg Long	Private Equity	54%					3
Albion Capital - Bank of America - L.P.	Demian Kircher	Private Equity	60%					3
Albion Capital - Bank of America - L.P.	Rommel Garcia	Private Equity	66%					3
Albion Capital - Bank of America - L.P.	Rommel Garcia	Private Equity	70%					4
Albion Capital - Bank of America - L.P.	Demian Kircher	Private Equity	80%					0
Albion Capital - Bank of America - L.P.	Demian Kircher	Private Equity	80%					3
Albion Capital - Bank of America - L.P.	Demian Kircher	Private Equity	80%					9
Albion Capital - Bank of America - L.P.	Richard Jander	Private Equity	94%					14
Albion Capital - Bank of America - L.P.	Greg Daniele	Private Equity	94%					8
Albion Capital - Bank of America - L.P.	Richard Jander	Lender	94%					2
Albion Capital - Bank of America - L.P.	Laura Albrecht	Private Equity	96%					5
Albion Capital - Bank of America - L.P.	Richard Jander	Lender	100%					0
Albion Capital - Bank of America - L.P.	Greg Long	Private Equity	100%					3
Albion Capital - Bank of America - L.P.	Rommel Garcia	Private Equity	100%					2
Albion Capital - Bank of America - L.P.	Richard Jander	Lender	100%					36
Albion Capital - Bank of America - L.P.	Demian Kircher	Private Equity	100%					2
Albion Capital - Bank of America - L.P.	Demian Kircher	Private Equity	100%					3
Albion Capital - Bank of America - L.P.	Demian Kircher	Private Equity	100%					3
Albion Capital - Bank of America - L.P.	Greg Long	Private Equity	100%					2

CYPY Monthly Pipeline Count Actionable



[View Report \(CYPY Monthly Pipeline Count Actionable\)](#)

Introduction



High Road Overview

- AUM of \$470mm
- Control equity investments
- Niche advanced manufacturing, specialty value added distribution, distinctive business services
- US and Canada for platforms
- Revenue \$10-\$100mm, EBITDA \$3-\$10mm



BD Role

- Design and execute HRCP marketing plan to generate high volume and quality of deal flow
- Design tracking mechanisms and tools to measure and drive performance of the deal sourcing function
- Develop relationships with intermediaries and other possible sources of deal flow
- Represent High Road at industry and networking events
- Screen all new deal opportunities
- Manage deal flow process up to management meetings
- Report deal flow and related activities on a weekly, quarterly and annual basis

Basic Formula

DEAL FLOW = (Discipline + Organization) X Effort

HRCP's Key Metrics

- HRCP's Deal Sourcing objectives are centered on continuously improving both quantity and quality of Deals Discussed and Books Reviewed in order to fulfill our ultimate objective of owning high quality businesses

Deals

- Deals Discussed
- Books Reviewed
- IOI Submitted
- Deals sourced and bids by contacts
- Deployed \$\$
- Number of closed platforms and add-ons

Contacts

- Number of intermediary firms
- Number of intermediary contacts
- Deal source tiers for firms and contacts
- Deals sourced by tier
- Geographic coverage
- Contacts reached
- Deals source / contacts reached

Activities

- Meetings, calls, emails
- Evaluate group and individual deal sourcing efforts
- Inbound / Outbound / Continuation
- Activities by tier

Rationale

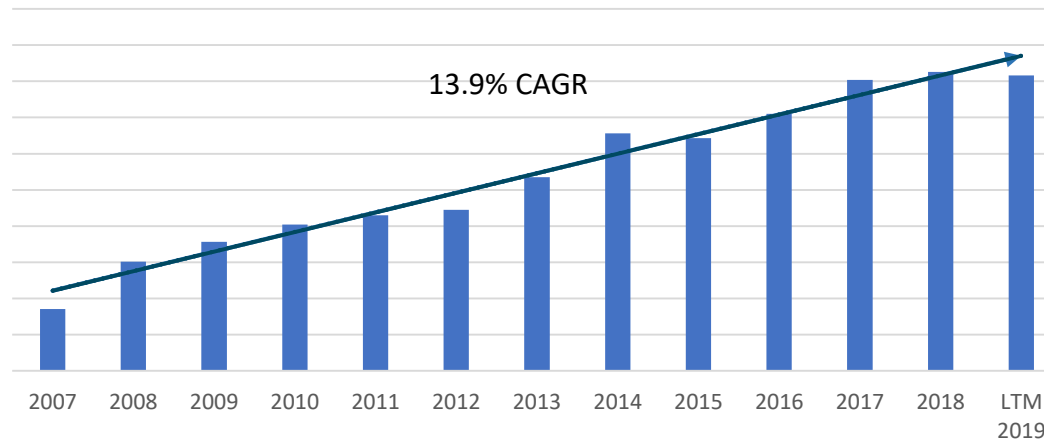
- More deals sourced = more & better deals done
- More IOI submitted = better quality sourced

- Identify most prolific sources of deal flow
- Allocate resources accordingly
- Accountability
- Reciprocity - better sources of volume and quality deal flow should get opportunities to pitch and earn our business

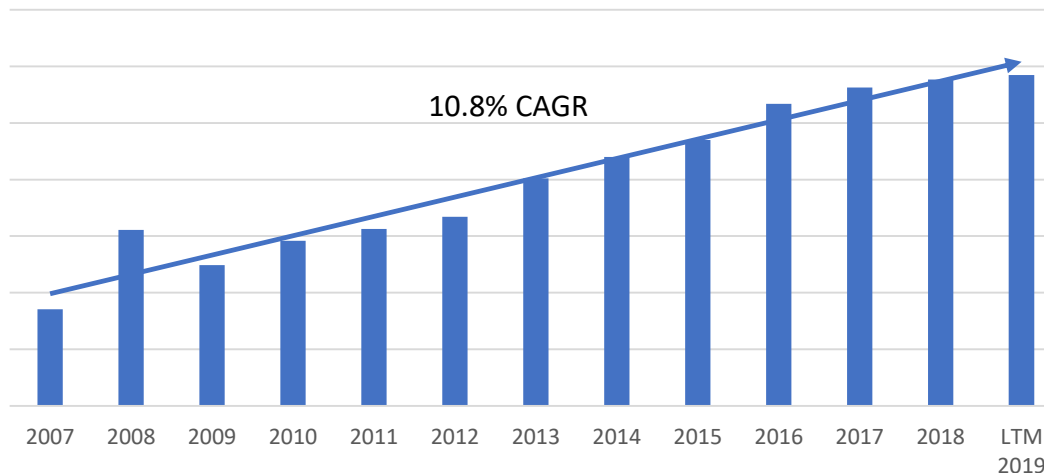
- Cadence
- Establish better share of mind with higher quality banks
- Accountability
- Measure of Effort

Deal Volume Growth

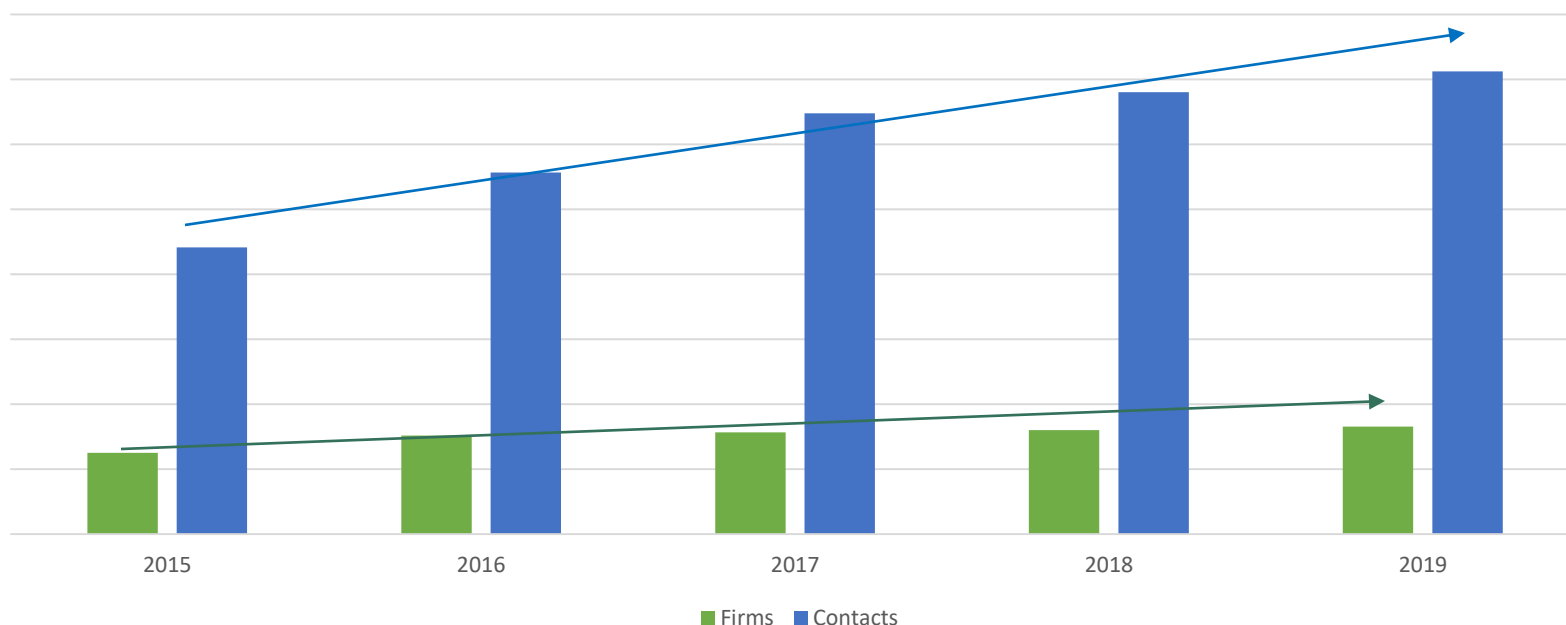
Deals Discussed



Books Received



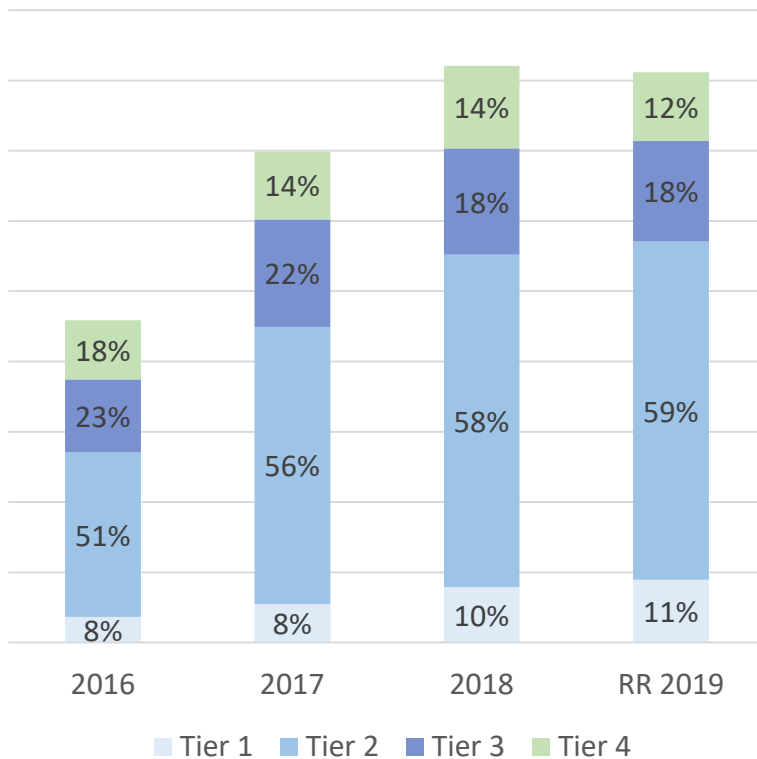
Intermediaries in Database



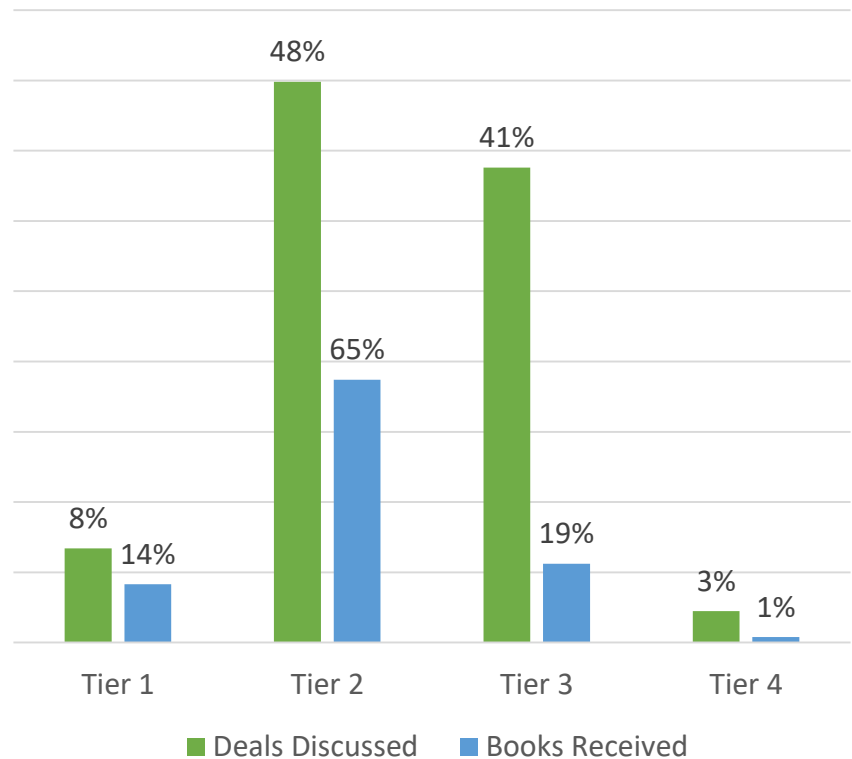
➤ Intermediary firms have grown by 7.2% annually since 2015, contacts by 12.7%

Contacts & Deal Flow by Tier

Contacts Reached by Tier

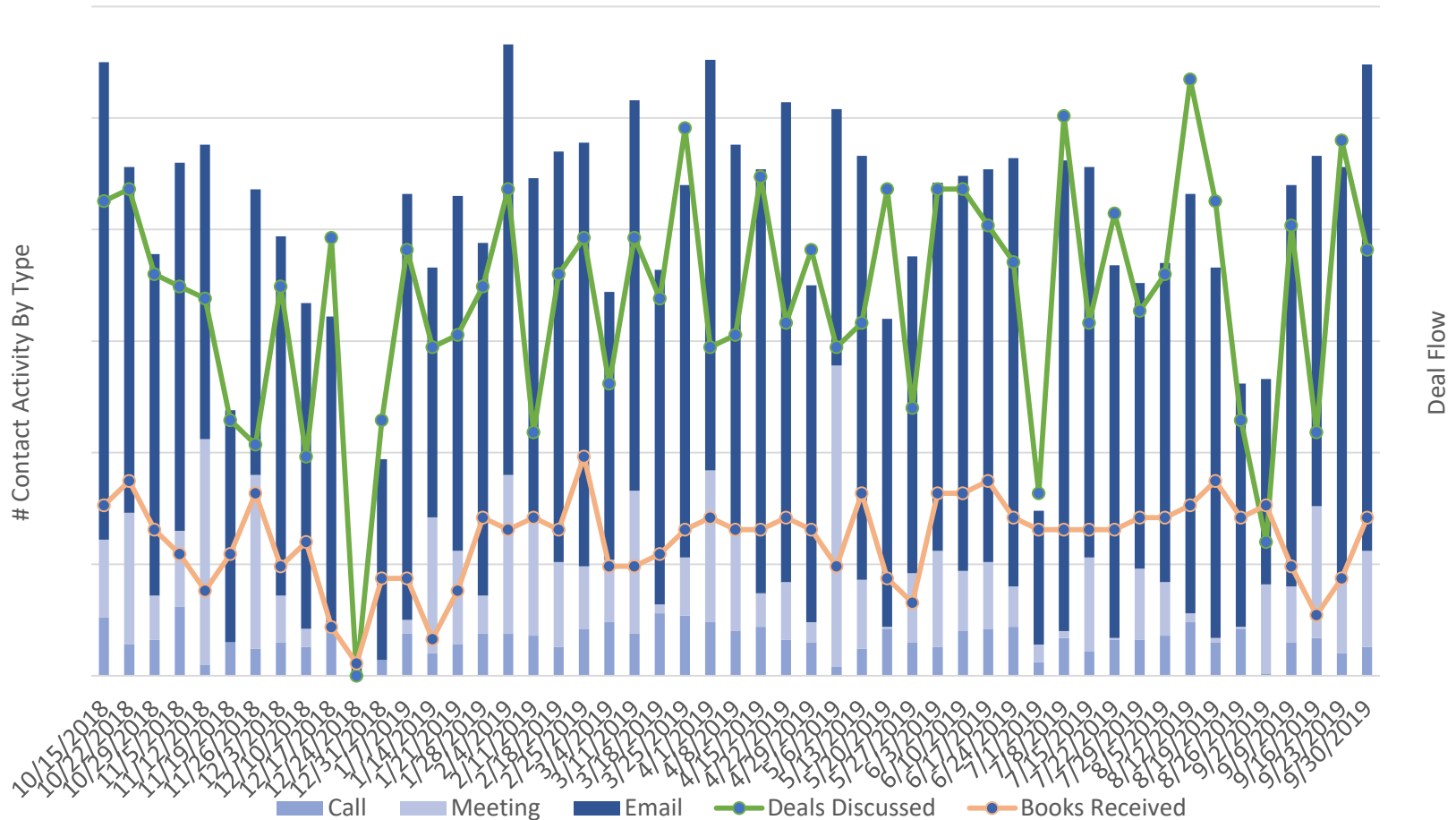


Deal Flow by Tier



Weekly Activity Volumes

Deal Sourcing - By Activity Type



Sutton Place – Geographical Coverage

- 80/20 – we are spending 80% of our meeting time with bankers who close 80% of captured deals by Sutton Place
- There are pockets of opportunity to spend more time and improve: F, E, J, N
- Some states seemingly out of balance with Deals Closed and HRCP Deals – likely due to industry (ie, Tech in B)

	2016 - 2018		
	Total Deals Closed	Total HRCP Deals	Total BD Meetings
A	17.0%	17.8%	21.6%
B	11.5%	6.6%	7.2%
C	8.9%	10.2%	6.9%
D	6.9%	3.4%	6.7%
E	5.3%	3.3%	5.3%
F	3.7%	2.3%	1.9%
G	3.4%	3.0%	3.3%
H	3.6%	2.5%	3.5%
I	3.4%	2.8%	3.7%
J	3.3%	4.1%	1.3%
K	3.2%	4.5%	10.2%
L	3.1%	1.2%	2.7%
MI	2.9%	4.5%	4.7%
N	2.9%	3.4%	1.8%
O	2.6%	9.2%	2.5%
P	2.4%	2.0%	3.0%
Sub-Total	84.2%	80.8%	86.2%
Other	15.8%	19.2%	13.8%
Total	100.0%	100.0%	100.0%



- 16 Dedicated industry vertical groups
- 160+ professionals, 19 offices
- 60+ Directors and Managing Directors
- 44 deals pre-market
- 46 deals in market
- 42 in stages of management presentations or beyond
- Pitched YTD – 239 times
- We have signed 148 Engagement letters in 2019

WE ARE BUSY!

Average Sell-side TEV has gone from \$76M in 2018 to \$109M in 2019

Industries with most number of active engagements:

- Consumer & Retail
- Technology, Media & Telecom
- Education & Training
- Healthcare
- Aerospace, Defense, Government & Security
- Building products & Construction services
- Business services



DO

1. Invest in a dedicated Business Development professional
2. Be thoughtful in communication and be specific
3. Bid aggressively first time around
4. Call us.....if you are not hearing from us, we will always take your calls/meetings
5. Access to management teams when there is a good fit among our bankers is CRITICAL
6. Quality marketing material that is specific
7. Show us a clear path to some revenue
8. Be memorable. There are a lot of you!

DON'T

1. Ignore our calls or emails
2. NDA redlines. Outside council re-writing our document
3. Bid high on IOI just to get into a management presentation
4. Take a teasers and CIM just to make your numbers look good
5. Re-trade us (Post LOI will get you formally blacklisted)

[illegible]

85% of our clients family owned businesses that are weary of PE groups, so show up and behave well. Word gets around when you don't.



WHAT WE TRACK-BUYERS LISTS

Sponsor coverage team - averages 100+ calls/meeting a week collectively

Robust CRM system tracking **EVERYTHING**

1. Deals we have shown you and milestone of each
2. Last interaction
3. Portfolio companies and last financing date
4. Companies you have bought from us
5. Have you hired us for Debt Advisory or FAS?

Conversion rates:

Teaser to CIM

CIM to IOI

IOI to MGMT

MGMT to LOI

LOI to Closing

Buyers lists are being created with a more CRM driven approach with the proprietary information we put in vs. Cap IQ, Pitchbook work. Our conversations matter.



DASHBOARDS GALORE!

Conversion Rates of Financial Buyers

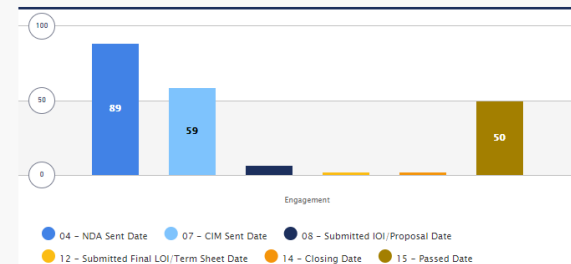
COMPANY NAME	TOTAL CIMS SENT	TOTAL IOIS SENT	TOTAL SUBMITTED LOIS
The Riverside Company	118	6	
Gemini Investors	89	5	2
Clearview Capital	70	8	2
Audax Group	70	9	
Frontenac Company	60	7	2
Hammond, Kennedy, Whitney & Co.	59	5	
Prospect Partners	58	4	2
H.I.G. Growth Partners	56	11	1
ShoreView Industries	54	7	
Main Street Capital	54	12	1

Interactions(17 entries)

SUBJECT	INTERNAL ATTENDEES	DATE	CONTACTS
Project Argus - Acquisition Opportunity	CRM Admin	03/23/15	Christopher Satti
Denver CEO Dinner Discussion	Brendan Burke	03/21/17	Christopher Satti; Kevin Cudney
Christopher Satti -04/19/19 1:27 PM	Brendan Burke	04/19/19	Christopher Satti
RE: New Capstone Headwaters Opportunity - Project Mainsail - Pioneer in Sales Training - \$7.2m EBITDA	Brendan Burke; Sam Kaplan	04/22/19	Christopher Satti
Capstone Headwaters / Audax	Brendan Burke	03/05/18	Christopher Satti
LA Deal Source	Brendan Burke	06/05/19	Christopher Satti
Chris/Brendan - lunch	Brendan Burke	07/10/19	Christopher Satti; Brendan Burke
Sell side opportunity	Brendan Burke	07/12/19	Christopher Satti; Brendan Burke



Deals by Milestone



Conversion Rates

CIM TO IOI	12%
CIM TO LOI	3%
IOI TO LOI	28.6%

Purchased from CSHW

CLIENT	ENGAGEMENT NAME	PRIMARY BANKER	CLOSED ENGAGEMENT DATE
Colorado Timberline	Colorado Timberline	Tom McConnell	05/19/17

Deals Shown

ENGAGEMENT	MILESTONE	MOST RECENT COUNTERPARTY
Project Goldsmith	16 - Passed	10/01/19
Project Gratitude	04 - NDA Sent	09/30/19
Project Gator	07 - CIM Sent	09/24/19
Project Coconut	16 - Passed	09/23/19
Project Palace	00 - No Contact	09/17/19
Project Thrasher	16 - Passed	09/13/19

Counterparty Name	Bid Date	Round	Low	High	Round	Low	High	Final
	03/12/19	IOIs	\$30,000,000	\$32,500,000	LOI	\$30,000,000	\$35,100,000	\$34,100,000
	03/12/19	IOIs	\$29,000,000	\$32,000,000	LOI		\$31,000,000	
	09/13/19	IOIs	\$70,000,000	\$80,000,000	LOI	\$87,500,000	\$87,500,000	\$87,500,000
	09/13/19	IOIs	\$80,000,000	\$90,000,000	LOI	\$95,000,000	\$95,000,000	
	09/13/19	IOIs	\$68,000,000	\$82,000,000	LOI	\$68,000,000	\$68,000,000	



DIFFERENTIATE YOURSELF - Join our “Caucus”

Cau-cus (noun) \ 'kò-kəs\: a group of people who meet to discuss a particular issue or to work together for a shared goal

Our “Caucus” is at ~90 currently. They see all of our deal flow and get the royal treatment.

We speak to hundreds of sponsors annually (9000+ Capital providers in our CRM)

How do you get in our Caucus you might ask?

1. Symbiotic relationship
2. Open exchange of information
3. Access to portfolio companies that overlap our coverage area
4. We value focus and depth over breadth

Who are your outside approved vendors that you use for other M&A work?
Have you considered our teams?

Debt advisory group-raising debt for acquisitions, recaps, refi or growth

FAS team-Quality of earning reports, restructuring, Buyside work, Field exams, Interim management placement, Portfolio companies-EBITDA enhancement



PRIVATE EQUITY CAREER NEWS

PE Best Practices: Top Tactics in Deal Sourcing to Finish the Year Strong

Featured Speakers:

Nadim Malik, Founder and CEO, Sutton Place Strategies

Ian Larkin, Managing Director, Maranon Capital

Richard Prestegaard, Partner-Business Development, High Road Capital Partners

Charlotte Franson, Private Equity Coverage Manager, Capstone Headwaters

Moderator: David M. Toll, Publisher, *Private Equity Career News*