

# The Status of the M&A Market:

Get the Facts from Experienced M&A Professionals

---

## What Buyers Are Looking For

- Financial Performance & Growth Trends
- Management Continuity
- Repeat Customers / Recurring Revenue / Customer Contracts
- Established Reputation, Relationships, Brand(s)
- Forecasted Growth & Expansion Opportunities
- Diversity in Client Base and Vendors
- Company Performance Compared to Industry Performance

**Bruce Behm**

President

Quazar Capital

(763) 550-9000

[bruceb@quazarcapital.com](mailto:bruceb@quazarcapital.com)



**Quazar** Capital Corporation

---

## How to Look Attractive to Private Equity

**Ben Ault**  
Managing Director  
Grey Mountain Partners  
(612) 259-8182  
[bault@greymountain.com](mailto:bault@greymountain.com)



- Audited financials
- Reliable financial and operational data
  - Succession plan
- Diversified customer base
- “Upside” opportunities

## What Mezzanine Investors Look For

- Proven management team with skin in the game
- Capable systems to produce timely key metrics
- Demonstrated, stable EBITDA • EBITDA margin 10%+ • Revenue visibility
- No hockey stick historical and projected performance
- Needed products/services with stable/growing end market demand
- Low CAPEX / Asset light to allow deleveraging

**Mark McDonald**

Principal & Managing Director

Spell Capital Mezzanine Partners

(612) 371-9650

[mark@spellcapital.com](mailto:mark@spellcapital.com)

**SPELL CAPITAL**

## Valuation Considerations

- Value of underlying equipment and fixed assets
- Does profit support a value for goodwill or intangibles?
  - Proprietary products
  - Customer concentrations
- Impact of commodity pricing on margins and value

**Patrick Schmidt**

President

Value Consulting Group

(612) 436-0559

[pat@valcongrp.com](mailto:pat@valcongrp.com)



**Value Consulting Group**

Business Valuation and Litigation Support

# The Status of the M&A Market

## Get the Facts from Experienced M&A Professionals

### Meet the Presenters



**Bruce Behm**  
President

Quazar Capital Corporation



Bruce A. Behm established Quazar Capital Corporation in 1990. Prior to founding Quazar Capital Corporation, Bruce was Senior Vice President of Sales and Marketing for Churchill Business Credit. Churchill specialized in asset based lending for companies involved in mergers and acquisition, turnaround, and fast growth situations.

Prior to Churchill, Bruce served as Vice President of Corporate Banking and managed the Middle Market Commercial Lending Division of First Minnesota. Before First Minnesota, Bruce served as Account Executive with Commercial Credit Business Loans, focusing on mergers and acquisition financing in the Assets Based Lending Division, loan transaction size ranging from \$2-\$25 million.

Phone: (763) 550-9000 Email: [bruceb@quazarcapital.com](mailto:bruceb@quazarcapital.com) Web: [www.quazarcapital.com](http://www.quazarcapital.com)



**Ben Ault**

Managing Director  
Grey Mountain Partners



Ben is a Managing Director in the firm's Minnesota office. Prior to joining Grey Mountain in 2004, Ben was with the Mergers & Acquisitions group of Goldman Sachs in New York. Before his time in the M&A group, he worked in Goldman Sachs' Investment Banking Services Group in Chicago.

Ben graduated Phi Beta Kappa from Indiana University with a B.A. in Economics and Management and holds a Master's degree with Merit from The London School of Economics & Political Science.

Phone: (612) 259-8182 Email: [bault@greymountain.com](mailto:bault@greymountain.com) Web: [www.greymountain.com](http://www.greymountain.com)



**Mark McDonald**

Principal & Managing Director  
Spell Capital Mezzanine Partners



Mark has over 25 years of experience in mezzanine, leveraged lending and corporate banking. Prior to joining Spell Capital Mezzanine Partners in January 2012, he was a partner in Churchill Capital's mezzanine funds from 2001 to 2011. Mark invested as a principal during each of these years and has significant experience in all aspects of mezzanine investing. From 1987 to 2001, he served in a leadership role as Vice President – Senior Relationship Manager in Corporate Banking at U.S. Bank. His responsibilities at U.S. Bank included originating, structuring and managing leveraged loan transactions in private equity owned companies and other corporate loans. He also analyzed, recommended and managed limited partner investments by the bank in private equity funds (buyout and mezzanine funds). Prior to U.S. Bank Mark worked in corporate lending at two other commercial banks.

Mark has served on the board of directors of several privately held companies. He holds a Bachelor of Arts from the University of Minnesota and a Masters of Business Administration from the University of St. Thomas.

Phone: (612) 371-9650 Email: [mark@spellcapital.com](mailto:mark@spellcapital.com) Web: [www.spellcapital.com](http://www.spellcapital.com)



**Patrick Schmidt**  
President

Value Consulting Group



Patrick Schmidt is the President of Value Consulting Group, a business valuation and litigation support firm based in Minneapolis, Minnesota. Working in this area on a full-time basis since 1991, he has completed more than 2,500 business appraisals.

Prior to founding Value Consulting Group, Patrick held leadership positions at three regional CPA and consulting firms. Patrick holds the senior designation from the American Society of Appraisers, and is a frequent speaker and author regarding valuation issues. Patrick assists clients in mergers and acquisitions, marital dissolutions, estate planning, employee stock ownership plans, damage and lost profit calculations, intangible asset valuation and management planning.

Phone: (612) 436-0559 Email: [pat@valcongrp.com](mailto:pat@valcongrp.com) Web: [www.valcongrp.com](http://www.valcongrp.com)