

ORG: A Unique Investment Approach for Business Owners and Management Teams

Owner Resource Group (ORG) is an Austin, Texas-based private investment firm founded to bring superior, enduring results to privately held businesses in the Manufacturing, Distribution and Business Services industries. We partner with business owners and management teams, leveraging our shared values to help you pursue your unique objectives. Whether you're looking to make a full or partial exit, add a capital partner to fund expansion and acquisitions, or create an ownership opportunity for management, ORG works closely with your team to structure a transaction and develop a long-term, disciplined strategy to position your company for an exceptional outcome for you and your team.



We can be most helpful to businesses with the following aspirations:

- Business owners and management teams seeking a capital partner to help accelerate the disciplined growth of their business
- Business owners hoping to achieve a full or partial exit
- Businesses looking to expand their capabilities, offerings or geographic reach (through organic growth or by acquisition)
- Management teams that would like to establish or increase their ownership in a business



We seek to invest in companies with exceptional, experienced management teams and the following characteristics:

- **Size:** EBITDA greater than \$5 million
- **Geography:** Headquartered in the U.S. or Canada
- **Industries:** Manufacturing, Distribution and Business Services (we do not invest in Software, Real Estate, Oil and Gas Exploration or early-stage ventures)

Seller's Dilemma: How Do I Achieve My Objectives?

When contemplating an exit (full or partial) or bringing in fresh capital, business owners have a choice between hiring a professional intermediary or working directly with an equity partner. An intermediary like an investment banker will “package” your business and broadly market it to potential buyers. By contrast, ORG works only on a direct basis with business owners. This collaborative approach means we'll work with you to create a solution customized to your specific, desired outcomes. In short, your priorities should dictate the path you choose.

Considering your options? Take a closer look at the differences between choosing an intermediary versus working directly with an equity partner.

| | Investment Banking Process | Owner Resource Group Process |
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| Summary | The investment banking process places a heavy emphasis on short-term success (maximizing immediate value). | The ORG process focuses on positioning the company for long-term growth and collaborating to create the most overall value. |
| Approach | Shotgun: The investment banker is incentivized to market your company to as many prospective buyers (qualified or otherwise) as possible, resulting in a solution geared as much toward the banker's goals as yours. | Rifle: ORG works directly with you to invest our capital in your business and create a customized solution that meets your specific needs. |
| Motivation | Characteristics of the investment banking process make it suited to selling 100% of your business. | Collaborating with ORG works best if you and/or your business partner(s) seek to sell a majority of the business, but remain invested to steer the company toward future growth opportunities and enjoy additional upside. |
| Cost | Investment bankers typically charge a retainer and 2% of the total transaction value. They are incentivized to get the deal closed (regardless of whether it is good for you) so they can get compensated and move to their next transaction. | ORG's primary compensation occurs at the successful future sale of the business. In this manner we are focused on alignment of interests and long-term value creation. |
| Timing | 6 to 12 months | 4 to 8 months |
| Intangibles | Unknown. The investment banking process doesn't allow for transparency into the buyer's plans until late in the process. | ORG listens to what you want to accomplish, and then supports your existing executive team, providing equity to align everyone's interests, as we work together to accelerate profitable growth. |
| Privacy | Your customers, suppliers, competitors and employees may know you are for sale given the broad marketing of your business. | ORG works under strict confidentiality to avoid any unwanted attention toward your business. |
| Disruption | The process of opening up your company to a broad array of suitors can be disruptive to your business and your team. Competitors will find out your business is for sale and employees will be concerned about the change. | As your direct partner, ORG works with you and your team in order to conduct our diligence in a manner that ensures your team is able to focus on its core business with minimal disruption and utmost confidentiality. |
| Success Rate/Outcome | The process usually yields a buyer, though the targeted valuation and actual proceeds may differ materially as the market (not the banker) determines the price. A busted deal, or the decision not to sell, can be particularly harmful given the visibility, duration and disruption of the process. | ORG works directly with you to create a customized solution with a high degree of success and all parties feeling good about the transaction. You and your team know exactly what you are getting – a partner focused on disciplined growth. |
| Proceeds | An investment banker can sell your business for a one-time payment (though it's unlikely to be as high as the banker initially indicated) with little or no additional proceeds. Their success varies based on the quality of the banker as well as market conditions and does not always result in an optimal outcome after their fees. | ORG works directly with you to structure a transaction that both provides immediate liquidity and maximizes long-term value for you. |

Considering an exit or looking for a partner to help grow the business? Learn more about Owner Resource Group and its unique investment approach by visiting www.orgroup.com today.