

## CASE STUDY

- KEY STATS:
- \* High fragmentation of sub-vertical industry
  - \* High client knowledge of prospect pool
  - \* Sector previously picked over by I-Banks and buy-side firms
  - \* Revisited entire sub-vertical for private equity firm
  - \* Deal closes out of the auction environment

# Project Snapshot: Bainbridge Uncovers Hidden Opportunities For Leading Private Equity Firm

## The Scenario

A New York private equity firm, with more than \$1 billion dollars under management, typically sourced deals through investment banks and buy-side firms. After learning of Bainbridge’s unique strategic approach to M&A sourcing, the firm decided to partner with the Bainbridge team to source add-on acquisitions for one of its portfolio companies. The portfolio company, a leading HVAC company, was acquired by the private equity firm. The new owners were charged with increasing revenues and margins through acquisitions and consolidation of operations.

## How We Helped

Working as an extension of the firm’s business development team, Bainbridge developed a comprehensive database of companies in the HVAC market via secondary and primary-source research. Determined to leave no stone unturned, Bainbridge began a 90 day push to uncover hidden targets in the industry sector that had been largely picked over by other firms. Through its investigative research, the Bainbridge process revealed multiple proprietary opportunities that fit with the firm’s acquisition criteria.

## The Result

Bainbridge then began its Four-Point Relationship Building Process, introducing the target owners to the portfolio company’s and private equity firm’s teams. Key highlights of the process include:

- \* The first of several pending deals closes, creating a gateway for larger expansion opportunities.
- \* The deals are outside of the auction environment and have a win-win approach to develop post-deal buy-in with sellers.



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