



INVESTMENT FOCUS

INVESTMENT PHILOSOPHY

The Partners of Lead Capital have been personally involved in the investment of over \$200 million in more than 35 small businesses across a diverse range of industries nationwide. While we have a generalist approach to industries, the businesses we invest in tend to have few fixed assets, limited capital expenditure requirements, recurring revenues, strong free cash flow, sustainable profit margins and identified prospects for growth.

We are currently seeking opportunities to invest in owner recapitalizations, management buyouts, family succession transitions and corporate divestitures of companies with EBITDA of \$1 million to \$4 million. Our transaction process and structure provides business owners an orderly transition of their company's operations, personal liquidity & financial diversification, and the opportunity for future financial participation via retained equity ownership.

COMPANY SIZE

Earnings before interest, taxes, depreciation and amortization between \$1 million and \$4 million.

TRANSACTION TYPES

- Owner Recapitalizations
- Family Successions
- Management Buy Outs
- Corporate Divestitures

TARGETED INDUSTRIES

- Healthcare
- Marketing services
- Business services
- Hospitality services
- Distribution
- Infrastructure
- IT Services & software
- Niche manufacturing
- Consumer products
- Agribusiness

GEOGRAPHY

Continental United States

INTERMEDIARY FEES

We pay finder's fees in cash for introductions that result in closed transactions.

OUR COMMITMENT TO THE MARKETPLACE

Intermediaries and business owners deserve responsive and straight forward partners. They should deal directly with the Managing Partners of the firm. Lead Capital commits to quick feedback and senior level attention at every step of the deal process. Your business is our business and we value it like our own.

www.leadcp.com

Please call us to discuss how we can work together:

Erick Clifford

Managing Partner
(615) 592-6520 (w)
(615) 972-8172 (c)
eclifford@leadcp.com

Pryor Smartt

Managing Partner
(615) 499-6164 (w)
(615) 400-1528 (c)
psmartt@leadcp.com



LEAD CAPITAL'S ROLE

OUR FOCUS

We partner with entrepreneurs and business owners to diversify their personal net worth while transitioning their business to the next level. We welcome situations that lack many of the systems, corporate governance controls, financial reporting, strategic plans, and management processes required of many private equity firms. We also welcome opportunities in regulated industries that require an experienced partner.

Successful entrepreneurs and business owners are passionate about their companies' future. We share that same passion. We partner with management and give them access to our capital, experience and strategic relationships. This partnership provides owners an orderly and defined transition and ensures that a sound plan is in place for continued success for their company and employees.

OUR ROLE

Lead Capital's investments provide liquidity to shareholders of privately owned businesses, facilitate transition of ownership to key managers, and allow management to capitalize on growth opportunities. We are not operators; rather, we are a resource for management. We work closely with management to set the company's strategic direction and support activities that will increase the company's value at the time of exit. We provide direction and advice in the following categories:

- **Corporate governance:** assemble a value added board of directors
- **Financial reporting:** develop systems, metrics reporting, detailed budgeting, financial trend analysis
- **Third party advisory:** access our network - audit, tax, systems and controls, environmental, insurance, benefits, legal, financial advisors
- **Revenue improvements:** analyze sales trends, develop branding and marketing strategies
- **Operational consulting:** assist with procurement, IT infrastructure optimization, manufacturing efficiencies, business process improvement
- **Strategic planning:** identify strengths, weaknesses, opportunities and threats
- **Human resources:** review background checks, hiring practices, personnel evaluation and development, organization, structure, compensation
- **Capital markets advisory:** arrange financings, facilitate add-on acquisition opportunities
- **Exit strategy:** optimize timing, hire advisors, negotiate with buyers

OUR VALUE

Our preferred investment structure allows owners continued participation in the growth of their business both operationally and financially. We offer owners a solution to the inherent challenges of operating a small business: concentration of net worth, absolute management responsibility, personal liability, limited strategic partners and limited capital markets resources. Our investment allows them to diversify their net worth, choose their on-going operating role, eliminate personal liability and benefit from a board of experienced partners with significant capital market resources through retained equity ownership.

OUR PASSION

We take great pride in partnering with management to lead their company forward. Executing on these strategic initiatives allows for increased growth, profitability and investor interest, all of which help to maximize the value of the company at the time of exit.