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IVCA Summer Reflection

This summer I had the pleasure of interning at Wind Point Partners, a middle market private equity firm specializing in business services, consumer products, and industrial products. I was able to oversee a plethora of deal types and help in the due diligence process for several investments. I spent a significant amount of time researching the agriculture industry, looking specifically at the fertilizer, chemical, seed, and retail segments. I tracked all of the M&A activity within the industry over the last ten or so years. In that I saw major consolidation among the Big Six of the seed and agricultural chemical industries. These mega mergers led to extensive antitrust reviews resulting in many small divestures. I then was able to take this industry overview and put together acquisition and public comparables for a potential Wind Point investment in a specialty agriculture chemical company. This entailed searching through Capital IQ and SEC filings of companies to calculate enterprise value, EBITDA multiples, and revenue multiples. In addition, I also worked on creating introduction memorandums for potential acquisitions to present in the Wind Point Monday morning meetings. This required looking through confidential information memorandums from companies and synthesizing the information in a two to three-page report. Furthermore, I was able to work closely with associates to learn what the job entails on a day to day basis. I sat in on monthly board meeting calls with portfolio companies, helped format various PowerPoint presentations, and gained exposure to complex financial models. I frequently worked with lender models to see how debt and leverage is forecasted throughout the life of the investment as well as capitalization tables to see the distribution of equity in an investment. Lastly, one of the most interesting parts of each week were the Monday morning meetings where associates would present updates on existing

portfolio companies and new potential acquisitions were discussed with the managing directors. Often times we would also hear from a prospective CEO of a new company to offer his perspective and pitch his thoughts on the investment in a sort of interview format.

The most interesting day of the summer for me was July 11th. The other IVCA scholars and I attended the ILGIF Annual Summit where we were able to hear about a dozen founders of successful startups tell their stories. My ultimate career goal is to build my own company, so it was inspiring to hear from people who have successfully done so. The business models were all different but seemed to have a common focus on low customer acquisition cost and the ability to grow to scale. I not only enjoyed listening to the founders from an aspiring entrepreneur perspective, but also as a customer. To name a few: I plan on purchasing my own pair of Gekks, I have already been a customer of Farmer's Fridge, and Cameo seems to be the perfect gift idea. After the summit we visited Prairie Capital. This was the first IVCA private equity site visit of the summer. I had found it interesting to compare it to my experience thus far with Wind Point Partners. There existed both similarities and differences in the firm culture, industry specialization, deal sourcing, and growth strategy. After our visit with Prairie Capital, the IVCA visited Wind Point and I was intrigued to hear other scholars' perspectives on the firm I was interning at. In general, this day was unique in opportunities to learn about and consider future career paths.

I was most surprised at how interconnected the Chicago private equity industry is. At every site visit the firm presenting had a direct connection to at least one of the scholars' firms. Everyone in the industry is knowledgeable about the other firms in the city and most have close relationships with each other. This was interesting to me as these firms could be fighting for the same deals and I assumed that a more competitive relationship existed between them. Over the

course of the summer I realized that it is more beneficial to build connections throughout the industry to increase proprietary deal flow opportunities. Through listening to conference calls, board meetings, and the firm visits I saw many cases where people stayed in contact with a previous coworker or classmate and it led to a helpful connection down the road. I believe this is a useful tip to keep in mind for the future. As I go into my investment banking internship next summer and hopefully the analyst program after college, I will know the value of networking and keeping in touch with people who I meet along the way. Additionally, this summer I have met countless professionals within the private equity and venture capital industries. I plan to keep in contact with many of them including the associates at my firm and the other scholars I have met through the program.

I would advise future IVCA scholars to go into the program ready to learn as much as possible. I believe that if you put in the effort and have the right attitude you can gain a strong understanding of the industry, learn technical skills, and also improve on your soft skills. Each firm visit offers the opportunity to hear a different investment philosophy and a look at how they manage portfolio companies. Take advantage of these visits, reach out to people who provide their contact information, and keep the materials they hand out. During your time at your firm be as proactive as possible. Always ask for things to do or read through if you find yourself with nothing to do. Look up anything you don't understand and then ask an associate about it if you still do not understand. A good tool to use is to check if you would be able to clearly communicate what exactly you're working on and the value you add. I found this to be useful for upcoming interviews or coffee chats. Throughout the summer I would also suggest observing the lifestyle and culture of the industry you're working in and if you could see yourself working in it full time. Through the IVCA scholar program you gain a wide exposure to a variety of

industries: including private equity, venture capital, investment banking, startups and I even sat in on a meeting with private debt lenders. There are typical career paths that people suggest to get into certain industries, however I advise keeping an open mind and thinking about where you want your career path to lead. Overall, I believe the IVCA Scholar Program provides a unique experience for a sophomore summer internship, one that is unmatched across any other opportunity that I have seen.