

MGMT 8140 – Search Fund Entrepreneurship Wharton Spring 2023 Q4

INSTRUCTORS

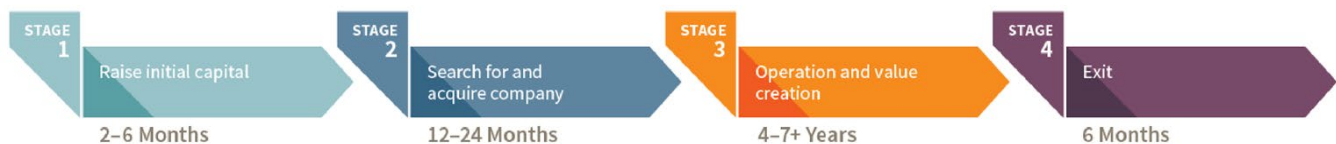
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COURSE OBJECTIVE

The objective of this course is to study the path to entrepreneurship through the acquisition of an existing operating business using the Search Fund private equity model. We will study the process through a series of lectures, guest presentations, assigned readings, case studies, and a final project.

The typical Search Fund process follows the four stages shown below:



Our course will go in depth on the entire lifecycle of a Search Fund. Some of the topics that will be covered include:

- Discerning how and why Search Funds are a path to entrepreneurship through acquisition
- Discussing alternative models of entrepreneurship
- Raising a traditional Search Fund
- Establishing a proprietary private equity sourcing machine
- Performing screening and due diligence on lower-middle market acquisition opportunities
- Closing on an acquisition
- Understanding self-leadership to successfully lead a company
- Managing interpersonal dynamics to improve company performance
- Making the choices necessary to grow an enterprise in a world of limited resources
- Building, leading, and managing an executive team
- Achieving a successful exit

COURSE OVERVIEW

Session	Date	Topic
1	Tuesday March 14	Discerning Search Funds as a Path: The DCI Journey
2	Thursday March 16	Raising a Traditional Search Fund: The Raptor Technologies Journey
3	Tuesday March 21	Critical Components of Setting up a World Class Proprietary Sourcing Machine
4	Thursday March 23	Frameworks for Screening, Valuing, and Diligencing Companies Suited for First Time CEOs
5	Tuesday March 28	Closing on a Deal and Crossing the Finish Line
6	Thursday March 30	Building and Sustaining Legitimacy as a New CEO through Self-Mastery
7	Tuesday April 4	Understanding and Managing Interpersonal Dynamics Across Stakeholders
8	Thursday April 6	Growing the Enterprise: Prioritizing Organic Versus Inorganic Growth
9	Tuesday April 11	Building, Incentivizing, Leading, and Managing the Executive Team in a Small-Medium Enterprise
10	Thursday April 13	Restructuring Culture Post-Acquisition
11	Tuesday April 18	The Exit
12	Thursday April 20	The Final Project

COURSE REQUIREMENTS

Students will be expected to apply both their academic training and prior experience to the class.

Since class discussions are an important aspect of the learning process, you should not register for this course unless you are prepared to be vigilant about attending the class sessions in person, assuming public health conditions allow this. The design of this class makes it difficult to catch up later by reviewing the readings and handouts. If you just miss one of our sessions, you will miss a significant amount of course material.

Prior to each class session we will post the slide deck and any other materials that you will need on Canvas. You should bring a hard copy of these materials to class.

To facilitate a favorable learning environment

- We will make every effort to start and end class on time.
- Students should arrive on time, display name tents, and remain in attendance for the duration of the class, except in an emergency.
- Since it can be distracting for you, your fellow students, and the professors, at the beginning of class you should put away any electronic devices and not use them during class. If you need to use a device for a medical reason or a personal emergency, please let us know before class.

TEXT AND READINGS

The course has several types of reading materials including books, articles, and case studies, as well as:

- Assigned readings that are available on Canvas
- Additional reading materials including sample agreements, documents, and spreadsheets will be posted on Canvas during the course

GRADING

The course grade composition is as follows:

- Class Participation – 33.3%
Your contributions will be evaluated after each class.
- Required Submissions – 33.3%
All assignments should be submitted via the Course Canvas site. If an assignment is submitted late, your grade will be affected.
- Final Project - 33.3%
The details of the final project will be distributed during the initial classes. The project may be prepared individually or in a group of up to 4 students.

INSTRUCTOR BIOGRAPHIES

Jim Vesterman (WG'06)

Jim Vesterman is currently on the Board of Directors of Raptor Technologies, the world's leading provider of school security software. From 2012 to 2020, Jim was the CEO of Raptor Technologies, where he led the growth of Raptor from serving 7,000 schools in the United States to serving over 40,000 schools with an integrated suite of K-12 safety software. Jim led the company's revenue growth of 600%, new bookings growth of 1500%, and total employee growth of 1000%. Jim sold the company to JMI Equity, an \$8 billion software-focused private equity fund, which returned a 13.5x MOIC and 53% IRR to his search fund investors. Prior to that, Jim founded the private equity search fund Liberty Place Capital in 2009 and used the fund to acquire Raptor Technologies in 2012.

Jim began his career at Monitor Group, a global strategy consulting firm, and Monitor Clipper Partners, a middle market private equity fund. Jim has served in senior operating positions in firms ranging from Fortune 500 companies to software start-ups. Jim also served in the United States Marine Corps in the Special Operations forces and was awarded the Combat Action Ribbon and the Navy and Marine Corps Achievement medal for his service in Iraq in 2004. Jim graduated from Amherst College with his bachelor's degree in Economics and Spanish and earned his M.B.A. from the Wharton School in 2006.

Charbel Zreik (WG'05)

Charbel is a visionary, creative, strategic and empathetic leader with a passion for excellence and team building. He has a track record of success across a variety of challenging and entrepreneurial endeavors, with backing from a broad base of investors, colleagues, and employees. A completely self-made person, whose parents do not read or write, he fled the Lebanese civil war with his family and worked his way through two Ivy League educations. He continues his journey of continuous personal and professional evolution each day, constantly reinventing himself to grow to the next level. He is driven by a sense of mission and inter-connected spirituality, alongside a burning desire to compete and win.

Today, Charbel manages Manifestations Capital, an early-stage impact fund focused on the mind/body/spirit sector. He also manages over 50 direct investments in search funds, mentoring the entrepreneurs directly and sitting on some boards.

Charbel utilized the traditional search fund model to lead to the acquisition of two businesses. He handed over a healthcare services business in the traumatic brain injury space to another

entrepreneur/CEO, who went on to create a 4.5x net MOIC and 44% IRR to investors. Charbel then acquired an IT services company and moved into the CEO and board member position. He grew the company in 4 years (2014-2018) to 37M revenue, 8+M EBITDA and 130 employees. He sold the company to a large private equity firm with a 48% net IRR return to investors, including the original founders. The main value creation levers he used in that operating journey were launching new products, scaling the sales organization, completing two acquisitions, including a public company, building a new senior team and creating a service-focused culture.

Beyond that, Charbel has had world class experience in building and scaling businesses in a variety of roles: he ran Light Beam Capital (2012-2014), a middle market financial sponsor. He was at McKinsey and Company (2006–2011), as Senior Engagement Manager focused on growth strategy and cultural turnarounds. He was at JPMorgan (1998–2002), as an investment professional doing venture investing and incubation. He was a VP at Osage Venture Partners (2005–2006) as well as part of the startup team at The Rohatyn Group Hedge Fund (2002–2003). Charbel has a BS in mechanical engineering from Cornell University (1998) and an MBA in finance and entrepreneurship from Wharton (2005).

ACCESSIBILITY

To be completed

ETHICS AND USE OF PRIOR MATERIALS

Members of the Wharton community are expected to uphold the highest ethical standards. The MBA student body has articulated [guidelines](#), approved by vote in the Spring of 1989, amended by vote in the Spring of 2005.

SESSION 1

Discerning Search Funds as a Path: The DCI Journey

In this module, we explore choosing the search fund path as a career option. We compare and contrast this option to other traditional options, including Investment Banking, Consulting, Private Equity/Venture, and General Management. Professor Zreik (WG'05) will draw on his experiences both in his search fund company as well as at JPMorgan, McKinsey and Company and Osage Ventures. The student will consider the search fund path and understand the benefits as well as drawbacks relative to other career paths.

We will walk through Professor Zreik's own 7-year journey in raising a fund, acquiring a company, growing that company, and successfully exiting to a large private equity buyer. Students will experience firsthand a real-life end-to-end search fund journey that is considered to be amongst the most challenging of search fund experiences so students can have a realistic grasp of the pros as well as the cons of this journey.

Class Format: Lecture, class discussion, student teams' presentations

Required Readings:

Search Fund Study 2020

Search Fund Primer - Part I, The Personal Perspective

Required Submissions:

Individual: Prepare a list of your personalized pros and cons for undertaking a Search Fund versus your next best option

Team: calculate the 10-year total earnings post MBA of a successful search fund acquisition, vs Investment Banking, vs Consulting

Recommended Reading:

Case: Models of Entrepreneurial Acquisition (GSB E-365)

Richard S. Ruback, Royce Yudkoff. "Buying Your Way into Entrepreneurship." *Harvard Business Review* 95, January 2017.

SESSION 2

Raising a Traditional Search Fund: The Raptor Technologies Journey

Once one decides on the Search Fund path, the journey begins. Simply raising the investments to cover the cost of a search is not as critical to future success as how the funds are raised and from whom. This class will focus on the mechanics of successfully raising a traditional search fund. We will cover topics including deciding upon a solo or a partner search, structuring the investor units, creating a search budget, writing a compelling Private Placement Memorandum, selecting an effective set of investors, and closing the Search Fund.

The class will then follow the journey from start to exit for Raptor Technologies (acquired by Jim Vesterman, WG'06). We will cover the details of the traditional Search Fund that was raised, the search for Raptor, the acquisition process, the growth of Raptor, and the ultimate exit.

Class Format: Lecture, class discussion

Required Readings:

A Primer on Search Funds – Part II: Raising a Fund

A Primer on Search Funds – Part III: Search Fund Economics

Case: Calyx Capital Partners (GSB E-736)

Raptor Offering Memorandum 2011

Required Submission:

On Canvas, you will find a spreadsheet listing the options open to Calyx Capital Partners for selecting their investor units. Complete the spreadsheet by selecting exactly a mix of 20 investor units and explain your reasoning for each selection.

Recommended Readings:

IESE Search Fund Study 2020 [International]

Jim Stein Sharpe – When to Search

Jim Stein Sharpe – Choosing a Search Partner – or Not!

Jim Stein Sharpe – Where to Search From?

SESSION 3

The Cornerstone to Private Equity Success - Critical Components of Setting up a World Class Proprietary Sourcing Machine

In any M&A function, whether in a search fund, in investment banking, or in private equity, one of the holy grails of creating value is making a direct connection with a business owner(s) who are ready to sell their business. But how does one go about making that connection? Setting up a professional, scalable, and repeatable process, built on the right technology tools, governed by metrics and supported by a team, is key to success in this part of the journey.

The Six Step Framework to Creating a Sourcing Function:

- Choosing the right technology tools
- Delineating strategic options to sourcing
- Balancing the right mix of proprietary and banker/broker deals
- Understanding key nuances to the messaging and marketing
- Setting up the process and metrics
- Utilizing short term resources effectively

Class Format: Lecture, class discussion, student teams' presentations

Required Readings:

Search Fund Primer - Part V, Sourcing Acquisition Opportunities

Case: Buck Jack Capital (GSB E-735) - getting personal in seller outreach

Required Submissions:

Individual: Using a private company of your choice, draft the letter that you will send to the owner in your first outreach.

Team: Provide a 1-3 sentence summary for each of your top 5 chosen sourcing strategies (e.g. Utilize regular monthly touch points with local accountants to become the first point of referral to anyone in their small business clientele who is considering an exit). Include an example of a monthly calendar with the associated actions to execute each strategy.

Recommended Readings:

Jim Stein Sharpe – Proprietary Prospecting

Jim Stein Sharpe – Brokers & Intermediaries

SESSION 4

Frameworks for Screening, Valuing, and Diligencing Companies and Industries Suited for First Time CEOs

Having learned how to fill the front end of a pipeline with thousands of potential companies, we turn our attention to how to analyze and filter through these companies to home in on the ultimate one company to acquire.

In this module, we will learn how to analyze companies and industries and learn what criteria distinguish an optimal search fund investment opportunity. We will learn and use an industry screening template and a company screening template. We will cover a 7-point framework for getting past the sticky “gray area” deals and either demoting or promoting them expeditiously. We will cover practical valuation approaches and bidding strategies, including submitting Indications of Interests and Letters of Intent (LOI). We will also cover how to decide to sign an LOI with a company and what is involved in the early phases of a due diligence process.

Our guest panelist will be Aaron Perrine (WG'12), who is a Managing Director of Trilogy Search Partners, a private equity firm dedicated to investing in Search Funds and Search Fund Acquisitions.

Class Format: Guest panelist with class exercise

Required Readings:

Search Fund Primer - Part IV, Setting Criteria for Evaluating Industries

Search Fund Primer - Part VI, Evaluating Target Businesses

Required Submissions:

Individual: Select 3 or 4 specific industries that would be a good fit for you to operate in because of your skills and/or interests

Team: Develop a company screening template with between 10 and 25 criteria (e.g. healthy gross margins, fit with searcher's background, etc) in 4 to 7 categories (e.g. core quality of existing revenues, breadth of options for growth), and evaluate 3 private companies using the template.

Recommended Reading:

Nashton Partners II Case Study (GSB E-738) - search fund criteria

SESSION 5

Closing on a Deal and Crossing the Finish Line

Once a suitable acquisition is found and the target is under Letter of Intent, the deal must be closed and the Search Fund Entrepreneur must cross the finish line to Operations. This session will cover the key elements necessary to close on a traditional Search Fund acquisition. Topics will include undertaking due diligence, completing the Purchase Agreement, dealing with working capital, raising the equity, adding senior debt, utilizing seller notes, requiring rollover equity, and managing equity shortfalls.

This session will also cover common mistakes experienced by Searchers in due diligence and the considerations necessary for abandoning a deal at or near Closing. Guest speakers will be the former CEO Rush McCloy (WG '05) and the former President R. T. Arnold (WG '05) of Eyewitness Surveillance.

Class Format: Lecture, class discussion, presentation from guest CEO(s)

Required Readings:

Case: Eyewitness Surveillance (GSB E-724)

A Primer on Search Funds – Part VI: Evaluating Target Businesses

A Primer on Search Funds – Part VII: Transitioning Ownership and Management

G. Cullinan, J. Le Roux, and R. Weddigen. "When to Walk Away from a Deal." *Harvard Business Review*, April 2004.

Required Submission:

On Canvas, you will find the template for a Letter of Intent to purchase Eyewitness Surveillance. Fill in and/or modify the highlighted sections including purchase price, seller note, rollover equity, and the working capital adjustment.

Recommended Reading:

"What is the Difference Between a Compilation, a Review and an Audit? A Comparative Overview" American Institute of Certified Public Accountants

SESSION 6

Building and Sustaining Legitimacy as a New CEO through Self-Mastery

The very next day after closing the deal, the search fund entrepreneur walks into an operating company and takes over the CEO role. Yet, throughout the entire journey from raising funds to selling the company, the search fund entrepreneur is in the point position, leading her/his investors, deal team, employees, and customers. From a high-powered Board room, to dealing with blue collar employees on the front line, the leadership requirements are unique and challenging.

This exhilarating leadership journey requires strong footing internally and many a journey has failed

due to a searcher being overwhelmed and stressed, relying too much on guidance from others, or being too bull-headed to make modifications along the way. In this more qualitative module, we will cover a few fundamental “leadership moments”, understand the nuances in how to handle them, and discuss practical strategies for becoming the type of leader that is most likely to succeed in this journey. Topics to include:

- Creating strategies for defining lifestyle boundaries
- Channeling competitive energy and yet remaining inspiring; being mission versus ego driven
- Making difficult internal changes by using such tools as working with a leadership coach, meditation, and cognitive behavior techniques
- Transforming your leadership style through acceptance of self and others
- Leading self through adversity such as seller dynamics and cultural drains/blockages
- Using support systems such as the Board of Directors, a leadership coach, peers, etc.

Elazar Aslan (WG’80) MBA, PCC is an executive advisor, speaker, entrepreneur, and CEO of Caterfly Solutions. After a successful career as a business executive, he became a professional coach over a decade ago, bringing his meditative practice and leadership principles to corporations including Chase, D&B, MasterCard, American Express, and ADP, as well as hyper-growth start-ups.

Class Format: Guest co-lecturer Elazar Aslan (WG ‘80), small team breakout sessions

Required Reading:

Michael E. Porter, Jay W. Lorsch, Nitin Nohria. "Seven Surprises for New CEOs." *Harvard Business Review* 95, October 2004.

W. Timothy Gallwey. The Inner Game of Tennis, May 1997. This book utilizes a tennis analogy to discuss working with our inner critic in anything that we do as a method of achieving top outcomes.

Required Submissions:

Individual: reflect and summarize your answers to the following questions:

- How would you rank yourself on the dimension of self-compassion on a scale of 1 to 10? Why so?
- How would you rank your level of self-criticism on a scale of 1 to 10? Why so?
- How competitive are you on a scale of 1 to 10? What are positive elements of that and what are hindrances?
- How do you react when others get in the way of you achieving your goal(s)?

Team: Share your answers to the above reflections with each other in a group session outside of class.

Recommended Reading:

Joe Loizzo and Elazar Aslan. Boundless Leadership, December 2021.

SESSION 7

Understanding and Managing Interpersonal Dynamics Across Stakeholders

The best acquisition with the most potential for value creation can be diminished and even destroyed if interpersonal dynamics are not managed properly across a wide variety of stakeholders. Bad intentions are toxic and good intentions aren't enough. Leaders must understand and manage both verbal as well as non-verbal behaviors and the impact these behaviors have on the responses of others within the organization.

This session will discuss frameworks that assist leaders in understanding the key elements influencing interpersonal dynamics. While perfecting people management is the work of a lifetime, we will help to uncover some of the key elements affecting these dynamics that are normally hidden in plain sight. With awareness comes the opportunity to improve one's ability to manage toward extremely positive interpersonal outcomes and avoid toxic downward spirals.

Our guest lecturer will be Carole Robin. Carole was the Dorothy J. King Lecturer in Leadership at the Stanford Graduate School of Business, where she helped to further develop the Interpersonal Dynamics course and received the MBA Distinguished Teaching Award. She subsequently founded "Leaders in Technology", a nonprofit organization that helps bring these leadership lessons to Silicon Valley startups.

Class Format: Presentation and interactive exercises with Carole Robin.

Required Readings:

Michael E. Porter, Nitin Nohria. "How CEOs Manage Time." *Harvard Business Review* 95, July-August 2018.

Carole Robin and David Bradford, *To Share, or Not to Share*, in Connect: Building Exceptional Relationships with Family, Friends and Colleagues (pp 25-47) and complete the Deepen your Learning section pp 47-49. Note: Item 3 on page 48, the "Application" and "Making Sense" sections are a bonus.

Pages 68-70 in Connect: Building Exceptional Relationships with Family, Friends and Colleagues.

Carole Robin and David Bradford, *Why Feedback is the Breakfast of Champions* in Connect: Building Exceptional Relationships with Family, Friends and Colleagues (pp. 98-116). The "Application" and "Making Sense" sections on pages 116-117 are a bonus.

Required Submission:

Complete the "Take the Assessment" exercise under the Activities tab on the website www.connectandrelate.com and submit via Canvas.

Recommended Reading:

Carole Robin and David Bradford. Connect: Building Exceptional Relationships with Family, Friends and Colleagues, February 2021.

SESSION 8

Growing the Enterprise: Prioritizing Organic Versus Inorganic Growth

The key levers to growing the value of the search fund acquisition are growing both the top and bottom lines of the enterprise. More often than not a search fund will acquire a company with an underperforming or barely existent sales team. This session will cover the basic approaches to designing and deploying a sales and marketing machine.

Another key option for growth is to expand the company's product suite. These expansions normally require significant investment either through the creation of new products in house or by purchasing competitors with these new product capabilities.

In addition to purchasing competitors for their capabilities, Search Fund CEOs often have the opportunity to pursue add-on acquisitions of smaller competitors to the existing business. However, it is common for these acquisitions to be more difficult and add less value than projected. This session will examine considerations for all of these options in the face of constraints on resources and time.

Class Format: Lecture, class discussion

Required Reading:

Alicia Desantola, Ranjay Gulati. "Scaling: Organizing and Growth in Entrepreneurial Ventures." *Academy of Management Annals*, 2017, Volume 11.

Case: Raptor Technologies, LLC. This case covers the implementation of a new sales and marketing engine at Raptor, the choice of whether or not to pursue add-on acquisitions based on data for Raptor's direct competitors, and the decision to invest or not in building a new app-based safety software product in the face of opposition from key Board members.

Required Submission:

Based on data and information found in the Raptor Case, students will be required to make various choices regarding investments, resources, growth strategy, and expected Return on Investment for various growth paths.

Recommended Reading:

M. Marks, P. Mirvis, and R. Ashkenas. "Surviving M&A," *Harvard Business Review*, March-April 2017.

SESSION 9

Building, Incentivizing, Leading, and Managing the Executive Team to Professionalize a Small-Medium Enterprise

One of the most important contributions of a successful search fund entrepreneur is to build a talented, high-caliber, professional executive team in the acquired company and set the team up for success. In this module we will cover the building blocks of this important operational endeavor.

The key topics in this module will include:

- Timing and sequencing of executive team hires
- Hiring approach and process (including which pieces of hiring can be delegated, creating role scorecards, interview techniques, using head hunters)
- Creating alignment using equity and bonus incentives
- Achieving alignment through development and roll out of cascading metrics/scorecard
- Using the annual planning process for engagement and ownership
- Utilizing metrics and targets to shape a conversation to empower and coach rather than micro manager
- Balancing operational vs strategic initiatives

Class Format: Guest co-lecturer Search Fund CEO, class discussion

Required Readings:

Robert Gibbons. "Incentives in Organizations," *Journal of Economic Perspectives*—Volume 12, Number 4—Fall 1998—Pages 115–132.

DCI management metrics and cadence by Charbel Zreik

Robert S. Kaplan and David Norton. "The Balanced Scorecard – Measures that Drive Performance". *Harvard Business Review*, January 1992.

Required Submissions:

Individual: design the management cadence for your executive team including how frequently you meet one-on-one and in a team, what topics you would cover in each meeting, and any metrics that you would use in the discussions.

Team: Use the Hiring Playbook to build a role scorecard for the head of finance that you would hire at a hypothetical \$8 million revenue company.

Recommended Readings:

Hiring Playbook, by Charbel Zreik

Patrick Lencioni. [The Five Temptations of a CEO](#), June 2008. A book dealing with five critical CEO mindsets including being respected instead of being liked.

SESSION 10 Restructuring Culture Post-Acquisition

The culture of an enterprise can be an asset or a liability. Commonly, the pre-existing cultures of Search Fund acquired companies are cults of personality. In many cases that approach to culture is not scalable and is often deleterious. Search Fund entrepreneurs can consciously work to build a high performing culture in the enterprise that can become an asset for hiring, retention, and

performance. This session will discuss approaches to defining and communicating cultural pillars.

A panel of Search Fund alumni will discuss the cultures that they inherited and the actions that they took to consciously create a high performing culture.

Class Format: Moderated CEO panel discussion

Required Readings:

Sarah A. Soule, Bryan Walker. "Changing Company Culture Requires a Movement, Not A Mandate." *Harvard Business Review*, June 2017.

Adam Grant. "How to Build a Culture of Originality." *Harvard Business Review*, March 2016.

Anthony Tjan. "6 Rules for Building and Scaling Company Culture." *Harvard Business Review*, March 2015.

Bill Taylor. "To Build a Strong Culture Create Rules That Are Unique To Your Company." *Harvard Business Review*, December 2019.

Netflix Reference Guide on Culture

Required Submission:

On Canvas, you will find a list of fundamental behaviors that can together form the culture of a company. Select 5-15 of these behaviors that you would choose to form the basis of your future company culture and submit the selections. Be prepared to justify your selections in class.

Recommended Reading:

David J. Friedman, [Culture By Design](#), February 2018.

SESSION 11

The Exit

As Yogi Berra famously said, "It ain't over 'til it's over." All Search Fund entrepreneurs eventually provide an exit to their original investors. Creating the highest value possible requires setting yourself up for a successful exit. This session will cover managing the sale process, realizing a price premium, running the company during the sale, common mistakes, and the race to the finish.

A Search Fund entrepreneur with a successful exit will serve as a case study to explore this topic.

Class Format: Lecture, guest Search Fund CEO presentation

Required Readings:

Case: Castronics (HBS 9-213-028)

A.C. Shilton. "You Accomplished Something Great. So Now What?" *New York Times*, May

2019.

Required Submissions:

Based on the Castronics case, please submit answers to the following issues on Canvas:

- Assuming an exit in mid-2012, what should Patrick and Michael expect to receive as a sale price for the company?
- What proceeds would Patrick and Michael each receive in the event of a sale?
- What would be the MOIC and IRR for the investors?
- If you were either Patrick or Michael, would you sell? Why?

Recommended Readings:

Mark A. Lemley, Andrew McCreary. "Exit Strategy." *Boston University Law Review* 101 No. 1, January 2021.

Case: What's Next: The Entrepreneur's Epilogue and the Paradox of Success (Yale September 2020)

Goodwin Survey "Rollover and Incentive Equity Terms In Middle Market Private Equity".

SESSION 12

The Final Project

In this Shark Tank-like module, a panel of investors from the search fund community will help select a winner who has best demonstrated the ability to present a high potential investment opportunity. Students will be working on this project throughout the course and in this module, the top teams will have a chance to present their findings. Students will show off their ability to source and screen and ultimately choose a great company in a good industry.

The winner will receive the SFE (Search Fund Entrepreneurship) Cup, highlighting their distinguished aptitude in identifying, sourcing, and selecting a high-potential acquisition candidate suited for a first time CEO.

Class Format: Investor panelists from the Search Fund community, student team presentations

Required Readings:

N/A

Required Submission:

Team: prepare 10-15 page PowerPoint presentation of your acquisition target, including how it scored on the screening template, sources and uses of funds, and base case projections and returns.

Recommended Readings:

N/A