



March 23, 2007

Confidential Retained Search Assignment S964

Equity Position: VP FINANCE & ADMINISTRATION

Client: Profitable, Growing Private Label Baked Goods Producer.

Location: MA Greater Rte 495 Area.

BUSINESS OVERVIEW:

Our Private Equity client's portfolio company has been in business for 20+ years producing sweet cake products on a private label basis for major brands and directly to supermarkets. This company is a long run, low cost manufacturer enjoying long standing, strong account relationships. It is entering a very exciting period of growth and expansion. Before being acquired by our client in 2004, this was a family owned business. It is a good profit generator doing \$11M-\$12M in sales and \$1.25M-\$1.5M EBITDA. Plant capacity is in the \$20M-\$25M range.

The company is concentrated almost exclusively in the supermarket and Club Store industry. The company has been experiencing solid growth since management began to focus on just this cake business, as opposed to splitting time with its recently divested bread business. There are good, large volume opportunities in front of the company presently in its targeted markets. Due to its sales strength and dependable performance, the company is continually presented with new product manufacturing opportunities.

The company executive team consists of a President who is a terrific and experienced sales pro, very strong at sales management and excellent at relationship selling. He penetrates deeply into the customers & generates lots of opportunities. There is also a terrifically capable VP Operations who provides creative, strong manufacturing management. What is missing is a competent VP of Finance partner to round out an effective company executive team.

PRIVATE EQUITY OWNERSHIP

The company owner is distinguished Boston private equity investment firm focused and experienced at acquiring lower middle-market operating companies since 1991.

VP of Finance & Administration Position Summary:

The VP of Finance & Administration (VPF&A) must be a solid, mature, experienced senior financial manager to round out three person team that will work in partnership to drive the business forward and capitalize on the opportunities available in the market.

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The VPF&A will report directly to the President with dotted line reported responsibilities to the Chairman of the Board. Candidates must have demonstrated cost accounting experience in a process manufacturing environment, ideally in the food industry. Prospects should be hands-on leaders, technically strong in finance, general & cost accounting and systems. The VPF&A must understand and focus company management on profitability and free cash flow generation by product and customer. VPF&A needs to be able to understand the effects of operating decisions financially and be able to explain those impacts to the other managers. The VPF&A needs to analyze the numbers to help determine where the company makes money and how to make more money for the effort expended. The VPF&A will constantly deal with issues such as should the company take on a new product line or not? The VPF&A must understand the impact of operating parameters such as 2 ovens with differing speeds, oven bake time required for each product, cooling and packaging requirements and equipment needs, different impacts of fresh vs. frozen product, transportation and storage cost impacts, customer rebates, etc. Once the company gets to \$3M EBITDA, it will begin to consider building another plant, if the sales growth opportunities warrant it.

Must be team player, educator and contributor, not a hero, not a shrinking violet & not a dominator.

The VPF&A becomes primary interface with outside auditors.

Caveat-will not work if other managers sense individual will try to take over.

VP of Finance & Administration Qualifications:

Bachelor's degree in Accounting or Finance.

Honesty and integrity a must.

Experienced in a capital intensive industry.

At least several years experience in relevant environment.

Strategically oriented to help management formulate plans to capitalize on opportunities in the most profitable, sustainable manner.

Experienced managing multiple priorities.

Good problem solver.

Experienced undergoing outside audits.

Experienced in preparing consolidated statements.

Experienced in retail distribution industry.

Some experience in tax work.

Experienced choosing and implementing new systems.

Proficient in Excel modeling and database utilities

VPF&A Duties and Responsibilities

1. Preparation of all financial statements, consolidated monthly P+L, B/S and C/F, monthly debt covenant compliance, annual formalized budgeting requirement, & rolling forecast process. (Monthly statement production reviewed by senior management, private equity firm and banks)
2. Profitability analysis and report monthly profitability by product, customer and labor hours.

3. Allocate overhead by product and by operating shifts & assessment alternative strategies of allocating overhead.
4. Introduce formalized process to budget Capex & prepare ROI analysis.
5. Develop and implement IT strategy.
6. Understand profitability shifts with line speed changes & develop formal process to assess new product opportunities as well as rationalize transportation & freezing capacity.
7. Manage bank reporting requirements, daily cash status, monitor A/R collection process & A/P process.
8. Oversee & develop all office staff & functions as well as develop & monitor employee related policies & procedures encompassing employee handbook, hiring & termination policies, employee documentation & record retention, & employee time tracking (vacation & sick time).
9. Analyze all service providers, insurance, audit for expense optimization.
10. Assume responsibility for medical, retirement programs, 401k & defined benefit program & develop an appropriate strategy for company to obtain best value for these programs.
11. Assume responsibility for facilities including maintenance, repairs, building expansions, ownership & zoning issues & annual permit filings

Compensation, Benefits, Equity Participation and Relocation Information

Salary range is \$90K to \$100K plus a bonus potential of up to 20% of base salary with a % based on meeting financial targets and a % based on other criteria. Stock option plan and standard medical benefits will be offered. Some relocation assistance is available and negotiable.

Stock Option Plan:

The current management team owns a portion of the equity of the Company through participation in a stock option plan. The VP Finance & Administration will have the opportunity to receive 2.5% of the fully diluted equity of the Company. This option grant will vest over a five year period. Cost of equity position will be minimal.

How to apply for this VP Finance Equity Position

To apply for this CFO Equity opportunity, EMAIL your résumé with most recent salary & bonus info to S964@gilreathsearch.com or FAX your résumé in confidence to 1/978/287/4431 Attn.: Jim Gilreath, President, Gilreath Consultancy. Or mail your resume to PO Box 310, Concord, MA 10742. CONFIDENTIALITY ASSURED. Web Site: www.gilreathsearch.com NO PHONE CALLS PLEASE!!