



Confidential Retained Search Assignment—S#972

Position: INVESTOR PRESIDENT (Equity Investment Required)

Client: Northeast Based Niche Environmental Services Business

EDITED CONFIDENTIAL SPEC

Portfolio Company Summary

Institutional private equity-backed leader in non-cyclical niche environmental services industry is seeking strong President to guide strategy development, lead execution of growth plan, and mentor management team in successful entrepreneurially-managed business. The company has a fundamentally strong core market position, excellent reputation for service, quality and technical expertise, and a very broad range of opportunities for growth. In this fragmented industry, growth will be achieved both organically and through acquisition and expansion to a number of new significant regional markets. Current revenues are \$22M-\$26M and the company is highly profitable. The business has a very positive, open and success-focused culture and the opportunity is based in a desirable Northeast major metro market.

Situation

Historically, portfolio company (PC) has been successful by developing strong technical expertise, investing in customer and field service-related process automation, and demonstrating industry-leading standards of customer service. With this, the company has captured many of the most-demanding large accounts available in the market. PC currently has a small % of the \$250M+ national highly fragmented market. Future growth will need to come from further penetration of these core accounts, development of additional service offerings, assessment and penetration of a significant number of large, untapped, and in many cases, fragmented market segments, and geographic expansion.

Other key aspects of the situation are as follows:

- Successful, entrepreneurially-run business and executive team seeks experienced leadership and management by objectives.
- Current owner-manager/Chairman and CEO is significant shareholder and agrees that it is important to recruit a new successful, experienced President to bring additional skills and capabilities to the organization and provide leadership.
- Changing nature of the market opportunity demonstrates the need for a defined strategy and prioritized approach to sales and marketing.
- Over the last year, there have been substantial investments in sales and marketing as part of a transition from “waiting for incoming sales calls” to

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- a proactive business development effort. These investments have included focusing the current COO on sales and marketing, hiring a direct sales person as well as contracted sales specialists to cold call for appointments and facilitate introductions where strong relationships exist. New President can capitalize on these efforts, make further investments as appropriate and direct the organization toward the best opportunities.
- Recent changes in market dynamics signal positive growth opportunities.

President – Candidate Profile, Key Responsibilities and Issues to be Addressed

Attractive President candidates will be well-rounded, but demonstrate particular strength in strategy, sales and marketing and management by objectives (MBO). Experience with field service-oriented organizations is a plus. Industry expertise, while nice to have, is not mandatory.

Key responsibilities of President:

- Develop company objectives and manage to these objectives.
- Develop financial goals and manage to these goals.
- Develop and manage executive leadership of company.
- Position company for a successful exit in 3-4 years.
- Work collaboratively with Chairman / CEO.

Key Issues and Opportunities for President to Address in the First Year

- Collaborate with Chairman / CEO to develop Strategic Business plan.
- Meet with all direct and indirect reports to ask and answer questions, and to exchange mutually helpful information while soliciting their ideas, areas of concern and suggestions for dealing with them.
- Assess strengths & weaknesses of direct reports and review analyze and revise specific job duties and responsibilities where required.
- Manage through mutually establishing goals and objectives (MBO) while insuring direct and indirect reports have necessary tools to achieve them.
- Assess current Sales and Marketing plan and sales development efforts, structure and results and organize staff functions accordingly to meet targeted goals and objectives.
- Evaluate opportunities to improve productivity of field force, both overall as well as in response to seasonal and project-related swings in utilization.
- Spearhead assessment & penetration of significant number of large fragmented market segments.
- Adopt formal approach to development and leadership of management team including upgrading personnel where necessary.
- Recruit and integrate new CFO.
- Guide exploration and execution of opportunities to automate and achieve other process improvements and cost savings for administrative and financial functions.
- If confirmed during the strategic planning process, devise strategy and board approved timetable to expand company geographically to several

large untapped regional markets. Well over half the available market is currently not addressed.

- Successfully integrate any board approved acquisitions into PC culture and “modus operandi”.

Reports to:

Chairman & CEO and Board of Directors

Primary Interfaces:

COO/VP –Sales & Marketing, VP-Field Operations, CFO & VP Services Development.

Compensation, Benefits and Relocation

PC prefers cash compensation to be weighted toward achieving company performance targets. Base salary would be \$200K-\$225K with bonus potential \$25K-50K based on achievement of performance targets. Higher incentive compensation will be awarded based on exceeding targets.

The President will be eligible for a stock option plan based on achieving mutually agreed upon financial & personal performance targets.

PC offers a competitive benefits plan including 3 weeks vacation per year, medical and disability coverage, and 401(k). Relocation assistance is available.

Equity Investment Required

Upon hire, the President will be given the opportunity to acquire \$100K -\$250k of company’s stock.

Philosophy of Our Private Equity Investors

The philosophy behind this equity investment opportunity is straightforward: PE Investors want management and more importantly the President, to be their partner, motivated by the same things they are, without any inherent conflicts and with a high ability to drive results. The PE Investors want the President to have money at risk as they do and to have significant upside if things go well.