



DEWOLFF, BOBERG & ASSOCIATES, INC.

Resources to management for improving performance

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Founded in 1987, DeWolff, Boberg & Associates (DB&A) is a management consultancy that focuses on helping businesses improve their profitability. DB&A has established successful partnerships with the Private Equity and Leveraged Buyout (LBO) community for the following reasons:

Complimentary Expertise

Private Equity and LBO Firms employ talented and seasoned financial managers who do an excellent job analyzing potential investments and current portfolio companies. However, most do not possess the “Shop Floor” operations expertise required to evaluate problems and determine the savings and efficiency improvements available at a potential investment or current holding. In the increasingly competitive world of Private Equity—with more bidders chasing transactions every day—DB&A can add significant value during due diligence or post closing. With over 550 completed projects across multiple industries, DB&A provides the extensive operational expertise required to uncover dramatic savings opportunities. Some of the largest buyout firms in the world have capitalized on our expertise, as well as numerous “middle-market” Private Equity firms.

In-Depth Opportunity Analysis

DB&A’s two-week assessment process quickly allows you to determine the true savings potential and operational issues at a company. We base our findings on improvements that do not require additional investments in technology or capital expenditures. By working directly with the management teams at your portfolio companies, our two-week assessment process is designed to share risk with our clients by allowing a mid-point evaluation at the end of the first week to discuss the opportunities. If DB&A (1) is not able to show significantly more savings than your executive management team has previously identified or (2) cannot dramatically expedite the rate of improvement, you can choose to discontinue the assessment on the first Friday at no cost.

If DB&A and your management agree to move into the second week of the assessment, we will develop a customized approach to capture the savings identified in week one. If a client moves into the second week, the fee generally ranges from \$40,000-\$60,000. Most companies find that our analysis process is non-disruptive to your operations; in fact, most of our clients actually see a significant increase in productivity during the process. Thus, the analysis process is a very low-risk proposition for the financial sponsor and the portfolio company, as we absorb all financial cost for the first week while you learn more about our organization.

Guaranteed Results

One of DB&A's founding principles is that we guarantee an annualized ROI and monthly cash flow on most of our engagements, typically providing an annualized ROI guarantee of between 2:1 and 3:1. Many of our clients see a "cash neutral" position mid-way through an engagement due to our ability to exceed our guaranteed ROI. Since our inception in 1987, over 70% of our work has come from additional projects with clients who have used our services in the past. This "repeat work" is due largely to our ability to exceed our cash flow guarantees and provide sustainable improvements to an organization.

Because our projects guarantee real savings, our clients are usually able to translate these savings to their P&L statements. As both the financial sponsor and the executives usually have compensation based on EBITDA, our projects create alignment with DB&A and your portfolio company.

Implementation-Based Firm

DB&A's core strength is implementing the customized solutions that are designed during the analysis. The cost of implementation—a "project"—varies, but is typically a function of the savings we propose during the analysis. We pride ourselves on working with our clients during a project at the shop floor level, interacting on a daily basis with your front-line managers and hourly employees. We do not simply provide recommendations or strategic advice; rather we stay with our clients to ensure the solution we propose gets executed, *always with no capital expenditures or new technology investments.*

Diversified Industry Experience

While many of DB&A's clients initially came from the manufacturing sector, we have worked across multiple industries, conducting over 550 projects with a client repeat rate of over 70%. Major industries served include:

Aerospace	Food Services
Aircraft Maintenance	Governmental Agencies
Automotive	Lumber Products/Pulp & Paper
Biotechnology/Pharmaceutical	Manufacturing & Distribution
Building Products	Metals
Chemicals	Newspapers and Printing
Commercial Construction	Semi-Conductor/High-Tech
Consumer Products	Shipbuilding
Defense Contractors	Telecommunications
Distribution Centers/Warehousing	Textiles
Financial Services	Transportation
Furniture	Utilities & Energy

Contact Information

The best way to determine if DeWolff, Boberg & Associates could be a value-added resource to your firm is to arrange a meeting with one of our Regional Vice Presidents. We usually focus on transactions or portfolio companies with over \$100MM in revenues or operating costs greater than \$50MM. Please contact our Dallas office (800-800-6030) to learn more about what DB&A can do for your firm.