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Summer in Review

This summer I worked with EVE Partners in Atlanta Georgia, an investment bank that focuses on Mergers and Acquisitions and specializes in the transportations and logistics industries. In other words, this Atlanta based investment bank, with offices in Kansas City, Charleston, Toronto, and Hong Kong along with an affiliate in London, facilitates the buying and selling of companies within the shipping, transportation, warehousing, and logistics industries. Other services include strategic advisory and advisory, but all of their work is in the transportation and logistics industry. Not only does this make EVE unique and provide benefits from such specialization, but it also allows the company to glean information from other investment banks, would be competitors if EVE did not have such a narrow focus because such firms know our business and don't expect us to step outside of our sphere, which leads to mutual trust and the sharing of facts and ideas.

The management structure of EVE is like that of any other investment bank where at the top are Managing Directors (in some cases Principals) followed by Vice Presidents, Associates (Senior, then Junior), and Analyst (similarly Senior, then Junior). The MDs, and to some degree VPs, source deals based on personal relationships cultivated over the years and by being informed on deals potentially heading to market. The Associates and Analyst are then picked by the lead guys on the deal to work out financials and build a valuation of the company. Since there's no direct structure where Analysts and Associates are under specific VPs and MDs, the formers work with different guys on every deal and frequently a couple at any given time. Being a Summer Analyst, I was at the complete bottom of the totem pole and ultimately did the work that no one else had the time for or simply didn't want to do.

On occasion this meant grabbing coffee for guys on a conference call that couldn't step out or picking up meals for meetings between seniors guys and clients working through lunch to get a deal done, but more often than not I was adding value other than food and drink. During my summer I sourced acquisition targets for a buy-side client (this meant we're helping the client buy another firm, while sell-side representation had us selling a business or at least part of it), managed our data base of transportation & logistics companies and capital sources, compiled data to assist in the completion of financial models, put together Pitchbooks and Management Presentations, and helped vet a former sell-side clients new venture.

From day one I was looking at companies to buy for a client. This involved scouring the web, databases, and business listings for anything that fit the acquirer's criteria. In addition to helping the client with his needs, this proved extremely valuable in building my knowledge of the transportation and logistics industry. I learned the difference between third party vs asset based logistics companies, LTL vs TL deliveries, long haul vs last mile deliveries, and specialty vs bulk deliveries to mention a few. These differences may make little difference to someone outside of the space, but are critical to understand the sources of revenue and ultimately the profitability for a buyer. It goes without saying that one should only invest in what he understands and that person's bankers can only be of assistance if they too understand the inner workings of the parties involved.

By far the most monotonous task was overhauling our data base of all companies within our space whether they were lenders, advisors, or operators. This involved verifying the companies' legal names, addresses, websites, descriptions, and investment criteria or stances on involvement with financial sponsors. This too provided me with a more solid knowledge of our industry. It was a project that due to its size and my time constraints there was no hope of finishing, but that was

constantly being worked on when other projects were finished or pending approval. It's important to realize that the common perception of the culture at an investment bank is long hours of working, which leads many to question why the banks have not simply hired more junior bankers. The reason why hours are so demanding is not necessarily due to constant work, but rather constant waiting because junior level bankers are dependent on those more senior for approval on most work and are also waiting on both the buyer and seller in any transaction for financial and operating data.

Once the waiting had concluded, the frenzy started as everyone involved on the project worked diligently putting together what we had and figuring out what we still needed. For me this mostly meant plugging in the financial data into valuation models and ensuring the numbers coalesced. Those numbers gave us a look at the financial picture of a company and were used to deduce a value for it. Along with qualitative data about the company, presentation were made, edited, re-edited, printed, bound, flipped, and generally as the a managing director is walking out the door to use them for a meeting some numbers will change causing the slip sheeting of a couple pages and a final flip. Such is the life a banker, down to the last minute despite all intentions to complete tasks as they come up.

My favorite part of the entire summer was being involved in business planning meeting for a truck brokerage company. Not that it's a particularly interesting type of business or that it's particularly relevant to banking, but it was incredibly entrepreneurial and let me see all things that a founder of a company must keep in mind.

This summer affirmed my desire to pursue a career in high finance with intentions to move into something more entrepreneurial, once I've gained the skills and made the relationships that would come from a couple years working in an investment bank. It also provided me with concrete

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knowledge of the lifestyle and culture of bankers and with financial skills that I can use in the pursuit of full time position within an investment bank.