

Q3

NEWSLETTER

Milwaukee, WI | November 2020

Borgman
CAPITAL

Borgman Capital LLC is a privately held investment firm focused on acquiring majority interests in established closely held lower-middle market companies.

IN THE NEWS

Unlocking Opportunities Through Real Estate *The Road to a Higher Return on Investment*

Borgman Capital Real Estate is an exciting new facet we're bringing to the private equity space. This aspect of our organization focuses on uncovering additional value for business owners and investors through strategic and opportunistic real estate investments. Our new Real Estate Operating Partner, Matt Kiefer, brings deep understanding of the real estate markets and focuses on building lasting relationships within the real estate community.

Borgman Capital Celebrates Three Years!

Borgman Capital celebrated all they have accomplished together the past three years on October 15th. Three years, eight deals, one pandemic later, we are excited about a strong finish to the year.



We Create Value for Business Owners and Enhance ROI for Our Investors by:

- Uncovering additional value for Borgman's portfolio companies through **strategic acquisitions**, **development projects**, and **divestitures**, including sale-lease backs, to further enhance investor returns and provide diversification
- Generating durable cash flow and above average returns by investing in opportunistic, value-added or stabilized real estate assets in strong markets that can be **repositioned/redeveloped** for growth and margin improvement
- **Focusing on the lower middle market**, as it lies below the radar of traditional institutional investors and above that of smaller investors in submarkets where supply and demand characteristics will promulgate rent growth and low vacancy over the life of the investment

*To learn more about what Matt Kiefer brings to Borgman Capital's portfolio of capabilities, read his bio under **New Hires**.*

PORTFOLIO UPDATES

Flexibility Leads to Growth for Gilman Cheese

With hard work and immense dedication, Gilman Cheese has continued to be a strong performer throughout these unprecedented times. Their flexibility and responsiveness to their customers' changing needs earned them a leads list that is growing so much every day that they will have to consider further expanding their capacities.

Strengthened profitability and negotiated costing with vendors has opened up more purchasing channels in the cheese space for Gilman. They can now be very selective in their purchasing of raw materials. Since completing their infrastructure buildout, they've continued to execute their long term growth strategy and expect to set records for pounds produced, pounds sold, profitability, and revenue.

AscendTek Holds Strategy Session

AscendTek held a strategy session in September at their Atlanta location to further discuss their integration plans and strategy for 2021. They are focused on implementing a new company wide safety program, centralizing of close out package delivery, and creating a scoping and estimation department. The team is focused on safe and timely project execution to build the future 5G infrastructure in the United States.



Through direct collaboration among operations they:

- Expanded their relationship with Ericsson into Virginia with a three crew commitment to the market on their new T-Mobile build.
- Generated access to US Cellular for their Midwest team who has won their first projects in Wisconsin, including structural welding and antenna upgrade services while delivering structural welding to the Mid-Atlantic team.
- Supported their Southeast team with project management from the Northeast for Crown Castle/AT&T Colocation projects in Florida.
- Rolled out company-wide Safety program and progressing through other significant integration initiatives to be completed by year end.

PORTFOLIO UPDATES

MHH Identifies High-performing Markets

MHH focuses on opportunities that have them targeting industries that have been performing well throughout the pandemic such as medical equipment, pharmaceuticals, food & beverage, household supplies, government, DoD, transportation, warehousing, and distribution. Congruent to getting back out there and closing deals, MHH continues to improve internal initiatives to help move their organization to the next level.

Their focus on opportunities has them targeting industries that have been performing well throughout the pandemic...



INVESTOR HIGHLIGHTS



Max Mueller

PG Inspection Technologies

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Max Mueller grew up in Southeast Wisconsin and attended the **University of Wisconsin - Milwaukee**. After graduating with a bachelor's degree in Business Administration in 2001, he went on to work at his 3rd generation family business: **Storage Battery Systems (SBS)**. Max ran the Stationary Power division which sold large backup battery systems to Utility and Telecommunication companies worldwide.

In 2012, he experienced his first connection to PE when SBS was sold to Private Equity. After working closely with the PE group for five years, the company was successfully sold to a larger PE firm in 2017. Afterwards, Max set out to purchase his own business, and was introduced to Sequoia and Borgman Capital. In February 2019, Max purchased **Ideal Printing** (www.printideal.com), a commercial printing company located in Verona, WI and servicing the Madison area.

In November 2019, he purchased and is now President of **PG Inspection Technologies** (www.pg1000.com), a manufacturer of an optical CNC cutting tool inspection system located in Menomonee Falls, WI. These systems are sold to cutting tool manufacturers and to precision manufacturers in the aerospace, defense, auto, and medical industries. Max lives in Brookfield, WI with his wife Jodi, and their two sons: Jaxon (12) and Mason (9).

Nate Neuberger

Reinhart Boerner Van Deuren s.c.

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Nate is a shareholder at **Reinhart Boerner van Deuren s.c.**, specializing in private equity and mergers & acquisitions. He represents a number of private equity sponsors across the country, and has greatly enjoyed working with Borgman Capital on the Gilman Cheese, AscendTek, and Project Lift investments.

Nate holds a Bachelor of Science from the **University of Wisconsin – Madison** and a J.D. from the **University of Chicago**. Prior to joining Reinhart, Nate worked at **Barack Ferrazzano Kirschbaum & Nagelberg LLP** in Chicago for five years.

Nate lives in Wauwatosa with his wife, Abby, and two children. He enjoys bicycles and the outdoors. He once rode a motorcycle from Milwaukee to Bolivia. He is a terrible golfer.



NEW HIRES



Matt Kiefer

Operating Partner

Matt has 11 years of experience in commercial real estate where his focus is to improve communities and create value through developing and investing in quality assets located in strong markets with upside growth. He has completed numerous successful transactions where he was responsible for market analysis, due diligence, financial underwriting, syndication, capital markets, strategic planning, and asset management. Additionally, Matt's diverse background includes 10 years of experience as a management consultant and strategic marketer with roles in mergers and acquisitions, strategy, data analytics, product management, and new product development. A large part of his consulting career was spent at **West Monroe Partners**.

Matt earned his Bachelor of Science in Chemical Engineering from **Purdue University** where he also played basketball. He holds his Indiana real estate brokerage license and is an active volunteer in his community. Further, Matt is co-founder and Managing Partner at **Luigs Keifer Group** which holds a half million square feet of office and industrial properties in the Midwest.

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INVESTMENT OPPORTUNITY

If you are an Accredited Investor that would appreciate access to quality private equity investments, contact us today to learn about our current opportunities.