



Raising Capital for Your Business

Raising capital either by borrowing using debt or by selling additional equity in your business can be a difficult task. However, you can do it if it's the right situation, and it can be a great way to grow your business under the right circumstances. Here are some of the issues you should address.

BEFORE YOU GET STARTED, GET READY

Develop Your Data

While your financial data is the foundation of the story, no one moves into a building simply for the foundation. The operational details, such as production numbers, cost trends, human resource issues, gathered in near real time, drive and forecast what the financial statements will say. Being able to measure, track, and trend this data is critical to give capital providers an understanding of your business that may be second nature to you. You have to quickly get strangers up a learning curve that you have developed over years of experience, analysis, battle scars, and intuitive feel. Telling them helps - but **SHOWING** them helps it 'stick.'

Develop Your Story

The data tells how, the story tells **WHY**. Why did you make the decisions you did? What are the judgment calls that can't be quantified with data? Institutional capital does not invest in companies, products, stories or markets. It invests in **MANAGEMENT, MANAGEMENT, MANAGEMENT.**

Develop Your People

To that point, large placements of capital can never rest on one person. There has to be a deep team of talented managers, with a cohesive understanding of capital allocation decisions, to make an institutional investor feel comfortable that an investment will be well protected, not just at the closing table, but years after the transaction.

The Right Partner Requires the Right Process

Look everywhere. Chances are that you are going to need to look well beyond local lenders and investors to find your ideal capital partners. You should be prepared for a regional, national, and even global search, and pick an advisor that has the resources in place to manage a search that broad.

Systemically Approach a Wide Range of Parties

The capital markets change daily, with new entrants and structures adding to ever-changing risk appetites. To ensure the highest chance of success, your search should span the risk spectrum above and below your business' specific

risk level. This should provide you a range of opportunities, allow you to have market competition work in your favor, and is most likely to uncover that "outlier," the capital and partner that uniquely fits your opportunity.

Capital is a Commodity: Good Partners are a Rarity

The ideal partner will bring far more than just capital to the table. Industry experience, contacts, management resources, growth opportunities, and a similar approach to managing a growing organization should all be considered when selecting a financial partner.

You Control the Process

You have a business to run, so you shouldn't also be running a thorough capital markets search that spans multiple time zones. While Heritage can formulate and execute the strategy, you have control at every step of the way: determining who is approached, who is provided information, and who is precluded from that effort. A search needs to be thorough but discreet, and information should be informative, yet controlled. Heritage executes under your direction, every step of the way.

HERITAGE CAPITAL GROUP

SELL | BUY | CAPITAL | CONSULT

Heritage Capital's Goal

A capital raise can be a transformative event for a business, allowing owners and executives to aggressively deploy new resources into more markets. While the resulting increase in size, scope, and shareholder value is expected and easy to quantify, transactions can also change the nature of a company, forcing new and unexpected challenges on people, systems, management, and governance. Heritage's principals are former operating executives and have lived through these transformations firsthand. We'll not only develop and manage the transaction, but we can also prepare your people and your systems for "life after the deal." Just like personal relationships, good capital partnerships require self-awareness and maturity. You want to ensure that the raised capital satisfies your business' needs while also seeking that rare partnership where both parties, you and the investor, win.

Heritage Capital Group is a highly respected and trusted investment banking and advisory firm with local and global reach. For more than 45 years, we have provided transactional and advisory expertise across key industries to our clients.

We work to ensure that your many years of hard work and vision come to fruition. Our team of experts can help guide you through a wide range of scenarios including:

- Selling a company
- Buying a company
- Mergers
- Divestiture of corporate assets or divisions
- Raising debt or equity
- Exit planning
- Value enhancement
- Process improvement
- Restructuring or reorganizing

With our extensive industry and deal experience, we can work with you to help build and maximize your transaction value. You will benefit from the global resources Heritage provides through our leadership position in Oaklins, an international organization focused on the middle market with offices worldwide. With these resources, Heritage is able to leverage global contacts, industry expertise, and transaction experience to achieve exceptional results for you. We offer complete discretion and skilled and methodical negotiations to give you the competitive edge that is essential in today's highly competitive business environment.



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Heritage Capital Group is a merger and acquisition advisory firm with offices in Jacksonville, Florida and Savannah, Georgia. Heritage is a member of FINRA/SIPC and Oaklins, the world's most experienced midmarket M&A advisor, with 850 professionals globally and dedicated industry teams in 45 countries worldwide.