

# BLACKMORECONNECTS™

## EXAMPLE: Introduction Letter For A Desired Acquisition

Dear Ray,

Please let me introduce myself. My name is Jim Carbine and I am an executive with 35 years of experience, primarily, in the packaging/paper/paperboard industry. I've run a \$175M division of a 100+ year old packaging/paperboard company and have grown a \$420M sales organization, expanding into markets in Asia, South America and Mexico. I am also an entrepreneur who built, owned, and operated restaurants.

In a partnership with Blackmore Partners, a Chicago-based Private Equity firm, I am working on an investment strategy in the Food Packaging and Contract Manufacturing industries. For your information, I enclosed a summary of it below.

We are impressed with what you and your team have accomplished at Woodland Foods LTD and would like to talk to you to see if your goals of greater business growth and long-term value creation could work in partnership with what we are trying to accomplish.

One of the most personal and compelling reasons to participate in our strategy is that it supports a private equity recapitalization, allowing a business owner to potentially sell his business twice: initially a portion of the business, and then at investment exit, the retained equity ownership you keep in the interim, at a potentially much higher price. This model works well for business owners who want to focus on what they love to do in the business, take some chips off the table (addressing the wealth concentration risk), and fund accelerated and more profitable growth with additional capital and expertise. We'd be happy to discuss private equity recapitalization with you. Our goal is business growth, not stripping out capabilities, but investing in the business tools, people and systems to drive dramatic growth. We see growth as the tool that drives value for you, continues your legacy, and secures the future for your employees.

If this thought process has some appeal to you personally, to be a part of the leading edge in growth of Contract Packaging/Co-Packer/Co-Manufacturing for the growing Specialty Packaged Foods market, to achieve some of your financial goals now, and be a part of something larger in the future, then let's talk. The team at Blackmore and I would like to connect and talk and learn more about you and your

organization to see if we both believe this move could be a fit. Please let me know what date and time would be convenient for you to have a conference call. I look forward to hearing from you.

**About Blackmore Partners:** founded in 2005, Blackmore Partners is a Chicago-based Private Equity firm that closely collaborates with world-class senior operating executives on developing investment theses and sourcing, evaluation, and executing investments. Blackmore partners with top industry talent and finest companies to fully realize the companies' value creation potential. In each investment opportunity, our objective is to create a specific angle, a differentiated yet practical approach, which may not be evident to others, that can put the company on a new upward trajectory. This executive-led approach gives business owners the flexibility to meet their personal goals and connects the future of the business to the owner's legacy. Blackmore's model offers flexibility and choices in the investment structure and in the owner's role and equity interest post-transaction. For more information about Blackmore Partners, please visit [our website](#) and [our LinkedIn](#).

### **Investment Thesis Synopsis:**

The \$40B US Food Packaging market is expected to grow at 3% annually in the near term, with Specialty Packaged Foods currently accounting for 14% of this total market. 58 out of 61 Specialty Food categories saw double digit sales growth in 2015 and are projected to continue to outpace the main market and grow to over 25% of the Packaged Food market within the next decade. The Organic Food industry grew by 14% over the last 5 years and the entire "better for you" category is the fastest growing slice of the entire food market. The packaging and production demands in the "better for you" sector are ever-changing and complex, requiring strict compliance with food safety regulations (FDA, SQF, HACCP, etc.), 3<sup>rd</sup> party auditing, the need to offer cutting-edge innovative packaging programs, and a plan for capacity/distribution expansion to take advantage of this high growth potential. The Contract Packaging/Co-Packer/Co-Manufacturer industry is highly fragmented with more than 700 U.S. companies currently and key players that are driving market consolidation. New and existing Specialty Food companies are actively searching for providers of packaging contract manufacturing solutions that can keep pace with their geographic and product line expansion plans. This will require continuing investment in facilities, equipment, process capabilities and employee talent.

I plan to partner with a successful small to mid-market Contract Packaging/Co-Packer/Co-Manufacturing company as a platform to build out a larger regional or national company serving the Specialty Packaged Foods space. The NewCo would grow both organically and through targeted bolt-on acquisitions, leveraging our

combined operational and market expertise to create markedly increased shareholder value.

Regards,

Jim Carbine

Operating Partner

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