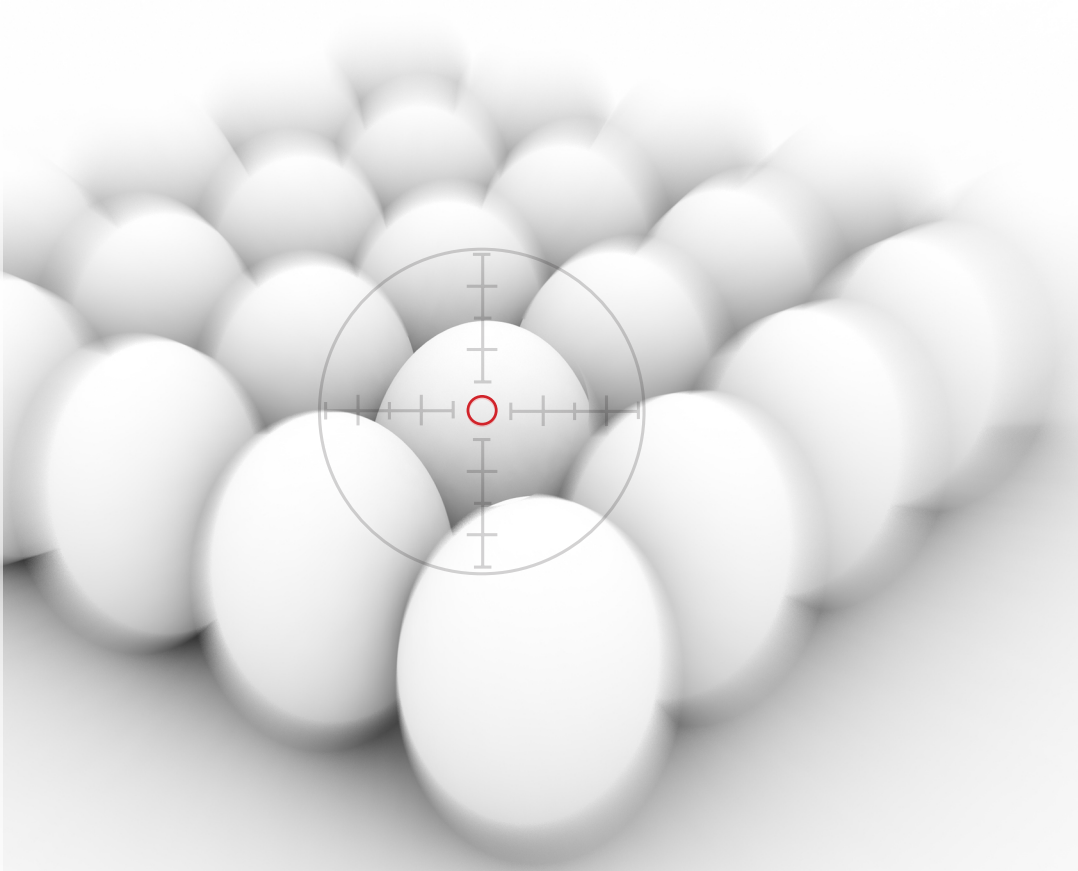


**BEFORE  
THE DEAL**

Operational  
Due Diligence for



**PRIVATE EQUITY**  
**Investors**

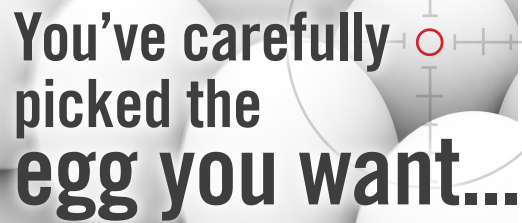


**OPERATIONAL INSIGHT AND  
PRACTICAL STRATEGIES FOR**

**INVESTORS.**

**MANUFACTURERS.**

**INNOVATORS.**



# You've carefully picked the egg you want...

*If only you could see inside a bit better.*

*Good Operational Due diligence is a bit like candling an egg.*

*When done properly and skilfully, the small cracks and defects that might otherwise be hidden from view, can be isolated and illuminated.*

*Critical flaws can be highlighted.*

*Hidden value can be identified and quantified*

*... all of this before the deal is done.*

## Operational Due Diligence Services

There's a lot more to it than just shining a light.

Charlie Reid & Associates has candled a lot of eggs.

We know where to look and what to look for.

We evaluate operational risks in your investment targets and describe them to you in clear understandable terms.

We identify the issues and quantify them as well as suggest whether or not they can be mitigated.

As often as not we identify not just risks and threats, but also hidden operational opportunities. These can represent hidden value to the investor.

## What's the Impact on Deal Value?

While this is technical work, Operational Insight has to be in deal context. In the end it's about establishing the impact on deal value – either upward or downward.

We bring a unique perspective to the table.

Charlie Reid has worked in literally hundreds of manufacturing operations over the course of his 35 plus year career, with extensive experience as a line executive, Consultant, and Board member. He is a former Partner with Ernst & Young where he was considered a Global Subject Matter Expert in Manufacturing Execution. He delivered operational support to the Corporate Finance practice for over a decade.

Charlie Reid & Associates has been providing operational insight and due diligence to the Private Equity sector since 2001.

We understand what you need to know.

**Let Charlie Reid & Associates  
help you assess the risks and opportunities  
that may be hiding in your prospective  
manufacturing investment.**

“Charlie’s work exceeded our expectations. The identification of hidden value in the deal was an unexpected bonus.”

GILBERT S. PALTER

Co-Founder & Chief Investment Officer  
EdgeStone Capital Partners

“Charlie’s insight was singularly useful in evaluating the quality of potential manufacturing operation targets for our portfolio.”

ERIC EGHOETZ

Independent Board Member  
former Managing Director BMO Capital Partners

*General overall operational health is good.  
Some opportunities for operational gains.*

DEAL VALUE \$ —

*Caution!! Weak spot in shell - Operational Capacity is unable to support all projected sales growth.*

DEAL VALUE \$ ↓↓

*Capex estimates appear to be overstated.*

DEAL VALUE \$ ↑

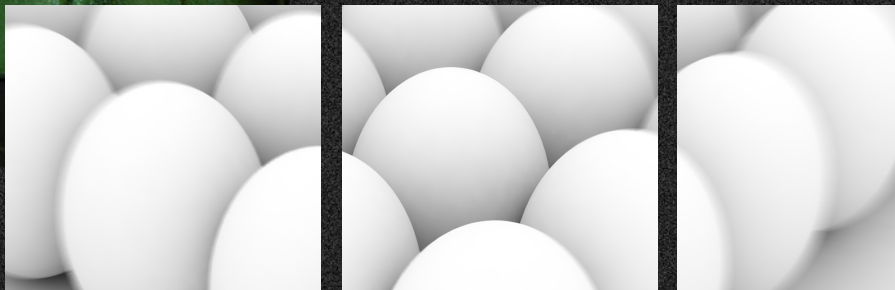
*Projected operational gains are not well supported and are not consistent with observed operational characteristics.*

DEAL VALUE \$ →

“Charlie’s ability to tie operational observation to a target’s likely abilities to meet pro forma operational targets is impressive – and remarkably fast.”

ALAN SELLERY

President and Managing Partner  
Ironbridge Equity Partners



**Charlie Reid** P.Eng.

416 580 9573  
charlie@charliereid.com  
www.charliereid.com



**Charlie Reid**  
& Associates

**OPERATIONAL INSIGHT AND  
PRACTICAL STRATEGIES FOR**

**INVESTORS.**

**MANUFACTURERS.**

**INNOVATORS.**