

# Pre-Interview Searcher Fit Checklist

We look to partner with searchers who plan to execute their search according to the following criteria and approach. Please take a moment to thoroughly review this checklist. Should you find that we're in agreement on all items shown below, we would then invite you to submit an application found on our website.

## **First off, why GTE?**

- Our principals have searched, operated, invested, and/or sold businesses
- You get to leverage our playbook of systems, processes, SOPs, templates, etc. that were made during our initial years as a search accelerator
- We possess significant expertise as operators in construction, advanced manufacturing, and supply chain enabling pattern recognition for small businesses in general
- Our principals—not associates—are your main and direct points of contact
- Our ability and willingness to consider *any* type of industry; even those opportunities that fall outside the typical search box of characteristics

## **Items #1: We are a fit if you...**

- Have demonstrated grit and resilience (doors have been slammed in your face more than once)
- Refuse to take "No" for an answer and instead relentlessly find ways to get to "Yes"
- Have managed and understand the power of using pipelines
- Have been exposed to M&A (not necessarily required in partnered search)

## **Items #2: Are we aligned on expectations when it comes to your search?**

- Hybrid outreach approach (i.e. more than just email) with at least 300–500 new unique businesses being contacted each new week of your search.
- Targeting 2–4 new sets of proprietarily sourced (non-broker) financials received each month
- Network outreach is secondary to proprietary outreach
- Significantly prioritize proprietary outreach (80%+ of time) vs. brokered deals
- Put teams of interns (or virtual assistants) to work to manage the outbound process
- Spoken to at least 30+ searchers/operators (successful, unsuccessful, and existing)

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## **Items #3: We are a fit if you as an operator...**

- Understand the difference between a leader and a manager and feel comfortable in both roles
- Gravitate toward servant leadership style with focus on elevating everyone
- Strive to not be the smartest person in the room
- Are a giver rather than a taker
- Have a burning entrepreneurial drive and can share related stories of past successes and failures
- Are truly authentic and can easily connect with Fortune 500 CEOs as easily as you can a janitor
- Always made time for yourself and team to work on the business instead of in the business
- Blame the process and not the person
- Are not afraid of the challenges of a smaller organization and like getting your hands dirty
- Are humble enough to understand that you will know nothing about the business you acquire and are disciplined to sit back and learn post-acquisition

## **Items #4: Are we the right investor for you and your future acquisition?**

- Industry agnostic, but disciplined around the standard search fund acquisition criteria. If you deviate from this then you have to price in and/or mitigate via the deal structure.
- You can't be the highest bidder on a business; aim for EBITDA multiples 3x-6x (7x maximum)
- We buy opportunities, not problems: we want to add fuel to the fire and not have to figure out if there is enough dry wood to burn
- We buy history, not potential: time proven businesses with longstanding customers and not just one outstanding year with recent product market fit. We don't buy early stage venture capital type or hockey stick/J-curve businesses
- We buy profitability, not turnarounds: a first time CEO needs stability to learn the business and a turnaround has very limited runway and does not allow for mistakes
- Businesses located within the United States only

**Everything check out? If so, fill out an application today by scanning here or visiting us at [gtentrepreneurs.com](http://gtentrepreneurs.com)**

