

**Inc.**  
**Founder**  
**Friendly**  
**Investors**

**Assets Under Management**  
\$400 million

**Employees**  
1800+

**Employees/Partners**  
27/2

**Portfolio Companies**  
15



## A Private Equity Firm That Cultivates Value

At Boyne Capital, growth comes through working in partnership with founders.

People don't necessarily think that private equity firms and entrepreneurs have much in common, but Derek McDowell, founder and managing partner of Boyne Capital, a Florida-based private equity firm, understands the pains of growing a business firsthand.

After working in traditional private equity firms, McDowell wanted to strike out on his own to implement his ideas on operations and growth strategies. When he started Boyne in 2006, he raised capital deal by deal, unlike firms that start with a large pool of capital. In this way, he built the firm as an entrepreneur, one deal at a time. He created a track record and grew the team—all while minding costs.

"We understand well the risks and challenges of being an entrepreneur. A lot of folks in our industry are value investors, focused on the price of a company. We see ourselves as value cultivators who can realize the potential of a company and get it to its next level," says McDowell.

### GROWING VALUATIONS TOGETHER

To cultivate value, Boyne works with companies to bring them to their fullest potential. The firm looks for founders who already have successful businesses but want to address the challenges holding them back from creating even more value.

"We're investing in the founder and their next chapter," McDowell says. Founders typically retain anywhere from 20 to 45 percent of their businesses. "It's important for us to find partners who want



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Boyne Capital

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Boyne Capital leaders (left to right) Derek McDowell, CEO and managing partner; Adam Herman, COO; and Young-Jean Ransdell, principal human capital, help founders realize their companies' potential.

to keep that ownership. We're not doing leveraged buyouts, but rather leveraged buy-ins," he says.

One recent success story is Greenrise Technologies, a green roof installer in Nashville, Tennessee, which wanted to become a regional business. With Boyne's help, Greenrise became one of the largest green-roof, water-control, and environmental-compliance companies in the Southeast and scaled EBITDA from \$1 million to more than \$20 million. Another is Rapid Fire Protection Group, a South Dakota-based fire protection company that completed three acquisitions and expanded to be one of the largest players in the western U.S. while growing profitability four-fold in two years.

To achieve this kind of growth, Boyne brings in a team of hands-on professionals to help cultivate value. The firm has two human capital specialists who are dedicated to helping portfolio companies bring in talent and scale up. Adam Herman, Boyne's head of portfolio management, leads the operations team, addressing critical issues and creating a roadmap for growth. Herman has spent his career leading private equity-owned companies, so he empathizes with the challenges entrepreneurs face.

### A PARTNER THROUGH TUMULTUOUS TIMES

The last two years have been tumultuous and challenging for many businesses. Tough times put a spotlight on why it's important to have an experienced partner. Among the biggest challenges: hiring talent, managing costs, and dealing with supply chain disruptions. Shipping costs rose 250 percent last year, then dropped 70 percent, making it difficult to plan.

That's where a partner such as Boyne comes in. The firm has been working with portfolio companies to ensure inventory levels are stable without overspending on shipping costs. The firm can also help entrepreneurs get more transparency on various costs by comparing with what peers are paying for various goods and services. Boyne has helped portfolio companies consolidate costs, such as by sharing a 40-foot shipping container.

There continues to be a lot of uncertainty, making it harder for many companies to raise capital, but Boyne continues to navigate confidently. "It may be more laborious, but we've invested in bad and choppy times. We know how to get it done," McDowell says.