



# Year in Review

BY MARTIN STEIN 2022

**4** Acquisitions & Integrations   **5** Exits   **3** New Hires   Private Equity Firm of the **Year**

**2022 has been all about flexibility**—for the world, for the private equity industry, and for us at Blackford Capital.

We had to stay flexible to stay successful, and our responsiveness to the market and quick pivots made for our most active year ever.

In the last year, we have **acquired four new businesses, exited five portfolio companies**, and our Deal Team and Investment Committee are currently **evaluating nearly a dozen new investment opportunities**.

We have made sound investments in talent, both within Blackford and across our portfolio companies, added synergies to several portfolio companies, continued to grow thought leadership, and even won a few accolades in the process—including Private Equity Firm of the Year at the 21st Annual M&A Advisor Awards for the second consecutive year and third time overall!

# Talent

Our team has grown, matured, and expanded in exciting ways in 2022. This investment in talent is an intentional strategy to support our growth and make certain we are bringing the best minds and sets of experience to every deal in which we participate. The tenure of our executive team is now eight years on average, which is very impressive for a 12-year-old firm. Here are a few talent updates we're proud to highlight:



## Paul Doyle

After eight years as a Blackford Capital Operating Partner, Paul Doyle joined the team full-time as Managing Partner in February 2022. Since starting this new role, Paul has provided invaluable guidance and support across Blackford and our portfolio.



## Ken Wagner

Ken Wagner joined Blackford in February 2022 as our new Chief Financial Officer, bringing proven experience from 40-year career in financial leadership roles at companies ranging from \$25 million to \$2 billion of revenue.



## Rishabh Mukherjee

We expanded the Blackford deal team with the addition of Rishabh Mukherjee. For the past four years, Rishabh has worked alongside Blackford Capital assisting with our due diligence on a number of deals. He has now relocated to Grand Rapids, MI from Mumbai, India, leading our process improvements in deal identification, diligence and execution.

Check out our full team at [blackfordcapital.com/people](https://blackfordcapital.com/people)

# Acquisitions and Exits

## Top Exits

We exited five companies during our very active year. Two of the most exceptional exits included:



In late August we completed one of our most successful exits ever with the sale of **Quality Aluminum Products** to Gibraltar Industries, Inc., a publicly-traded leading manufacturer and producer in the industry. QAP's net revenue increased 120% from \$41.7M in 2016 to \$91.9M in the June TTM period – a 15% CAGR over the timeframe.

“QAP grew rapidly and profitably since becoming part of the Blackford Capital family of portfolio companies. We are grateful for Blackford's partnership, and we are excited to enter our next phase of growth as part of Gibraltar's residential business.” - Bob Clark, Quality Aluminum Products CEO

Over our investment, the company professionalized its people and its systems, improved its capacity and operational efficiency, and added key strategic customers at compelling margins. Overall, the investment greatly exceeded investor expectations.



We exited **Grand Equipment** on May 20th. Over the course of our 6.5 years of ownership, we made investments in its management team, improved the mix of equipment offerings and expanded the rental fleet. As a result, revenue increased 32.5%, and Adjusted EBITDA increased 52%, providing impressive returns for our limited partners.

“Grand Equipment is excited to continue our growth trajectory in West Michigan with this transition from Blackford Capital to Cognitive Capital Partners. We successfully partnered with the Blackford team to grow the organization and look forward to a future of additional regional growth, deepened market share and an increased footprint.” - Jeff Grasman, Grand Equipment CEO

# Acquisitions and Exits Cont.

## Top Acquisitions

2022 was also a busy year for acquisitions. We launched our new Outdoor Living Group platform, with the addition of the first two companies focused on the growing market for home outdoor spaces.



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**Starfire Direct** was the first acquisition for the platform. Starfire is one of the leading direct-to-consumer companies in the hearth and patio sector, with award-winning fireplaces, gas fire pits and high-end custom products for both residential and commercial installations. This Southern California-based acquisition gives a solid foundation for growth and value creation. We are excited to be a leading participant in the new 'backyard is the new room in your home' trend, furthering our experience in the digital, direct-to-consumer marketplace.



**Artificial Turf Supply**

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**Artificial Turf Supply** (ATS) was also added to the Outdoor Living Group platform this year. The addition of ATS advances our objective of creating a one-stop shop for all outdoor living needs within the backyard consumer segment. California-based ATS is a manufacturer, distributor and internet-based supplier of high-quality synthetic and artificial turf products with applications across residential, commercial playground, pet and athletics in both B2B and B2C segments in the United States.



# Synergies Within Our Existing Portfolio

We also found many ways to create synergy and value among our existing portfolio companies in 2022.



## Design Environments Integration

In this spirit of cooperation, we further integrated our portfolio companies Boston Trade Interior Solutions (BTIS), Design Environments, Inc. (DEI), and ID Collaborative (IDC). The companies will now operate as **Design Environments**, a full-service design, sourcing and installation firm. The company will maintain its presence in Atlanta, Boston, Chicago, Greensboro NC, and San Francisco.

Jim Goergen's appointment as CEO completed the construction of a stellar new leadership team that will accelerate the company's growth strategy. Other industry veterans on the team include Ben Nicholas, Jade Russell, Vikas Patel and Chuck Tichelbaut.



## Aqua-Leisure Brand Expansion

INYO Pool Products was the second add-on acquisition for **Aqua-Leisure** under Blackford Capital ownership in under 15 months. INYO expands the Aqua-Leisure brand family to include market-leading, direct-to-consumer products for DIY pool repair and maintenance.

This acquisition, which came less than four months after Aqua-Leisure acquired Airhead Sports Group, demonstrates Blackford Capital's strategy to transform Aqua-Leisure into a digital-first, dominant omni-channel market leader for aquatic recreational and maintenance products.

# Further Accolades in the Market

Blackford has an enviable track record of awards in the private equity industry, and 2022 continues that trend with awards and recognition for our deals, personnel and firm as a whole.



## ✓ Private Equity Firm of the Year



"We aren't the oldest firm, we're not the most well known firm, and we are far from the largest, but we do have one of the best teams in the industry and we are honored by the tremendous partnerships that we have established with our LPs, portfolio companies, management teams, lenders, and service providers."

- Jeffrey W. Johnson, award acceptance speech

## ✓ Deal of the Year: Aqua-Leisure Airhead Acquisition



## ✓ Private Equity Firm of the Year

## ✓ Deal Recognition: Aqua-Leisure INYO Pool Supply

- M&A Deal of the Year - Finalist
- Private Equity Deal of the Year (10MM - \$25MM) - Finalist
- Consumer Discretionary Deal of the Year (\$10MM - \$100MM) - Finalist

**CRAIN'S 2022**  
**NOTABLE**  
MONEY MANAGERS



**Managing Director**  
**Jeffrey Johnson**

# Thought Leadership

Blackford is committed to a new management process for learning and skill development for all team members and partners. It is clear to us that working with the smartest team and providing them with the latest and greatest information will result in the best outcomes for our portfolio companies and our investors.



## Webinars

We have continued our webinar series where we tackle the most pressing questions in the business community. This year, we explored the questions of ["Where Did All the Workers Go?"](#) and ["Why Does Everything Cost So Much?"](#)



## 2022 CEO/CFO Summit

At our 2022 CEO/CFO Summit, we centered our thinking around challenges we face forecasting and projecting during these tumultuous times. Our focus was on supply chain trends and demands, the move to digital commerce, and a discussion around current employment swings and ways to positively impact employee engagement and retention. We also covered DEI and how this aligns with both culture and management priorities. Because we realize relationships are critical to collaborative discussions, especially during challenging times, we held a team-building trip to a Boston Red Sox game, where we engaged with our colleagues on a personal level.



## 2022 Investor Summit

Another important event for us was the 2022 Investor Summit. Because relationships are key for us, we invite our investors in to meet our talented management teams, share our big ideas about what is going on in the world and assure them that we have a solid, thoughtful plan of action for their money. All this while "having a great time!"

Operating Partner Steve Feniger quoted a Norwegian expression, "There is no such thing as bad weather, just improper clothing."

During the summit, investors heard presentations about Blackford's views on mega-trends in the market today from Steve and Chris Wilson. We were also proud to host Harvard Professor Rawi Abdelal as our keynote, where he spoke about "The Role of Private Equity in the Next Global Environment," focusing on how we are using sourcing, e-commerce and top-tier talent, driving home the assurance that our PCs have the "proper clothing" to thrive.

# Thought Leadership Champions

This Year End Review would not be complete without celebrating Chris Wilson and Steve Feniger, who have brought significant value to our firm and portfolio companies by demonstrating thought leadership in digital commerce and global supply chain respectively.

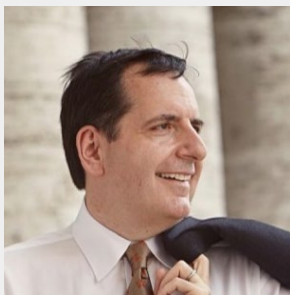
Chris and Steve make a daily study of the leading trends, nuances and best practices of their disciplines and then apply them strategically to improve our portfolio companies. Whether directly working with practitioners, in board rooms or at our summits, their contributions are a huge differentiator and strength for Blackford Capital.



## Chris Wilson

Chris has been at the forefront of direct-to-consumer marketing for nearly 30 years. He lends his expertise to our portfolio companies to overcome challenges in digital transformation, product management, data science and customer experience. Chris is an accomplished speaker, giving presentations at our annual summits.

Check out [Chris' bio](#) on our website.



## Steve Feniger

Steve has over 30 years of international sourcing experience and has written a widely successful book on [sourcing success](#). In 2022, he wrote several articles about sourcing, including “[Why PE Firms Need to Watch Ordering Forecasts in China & Southeast Asia](#)” and “[Staying Ahead of Supply Chain Challenges](#)”.

Check out [Steve's bio and articles](#) on our website.



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All in all, it's been a successful year at Blackford Capital with positive momentum on a number of fronts: talent, investor realizations, industry acknowledgement of Blackford's innovations and success, continued thought leadership, and substantial equity value creation within our existing portfolio. Blackford had an outstanding, industry-leading year in 2022—and 2023 looks poised to be even better.

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*Martin Stein*

Founder and Managing Director

