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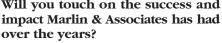
Expertise and Knowledge

An Interview with Ken Marlin, Managing Partner and Founder, Marlin & Associates (M&A)

EDITORS' NOTE Immediately before founding M&A, Ken Marlin led the Business Information and Internet practice at the media merchant bank and private equity fund Veronis Subler Stevenson. Prior to that, among other roles, he was Senior Vice President for Strategy and Acquisitions at Dun & Bradstreet, when D&B was a holding company that owned firms such as AC Nielsen, the media measurement com- Ken Marlin pany; Moody's the bond rating

agency; The Gartner Group; and D&B Credit Services. Marlin left D&B to become President of Telekurs (NA), a Swiss-owned technology company. Four years later, with venture backing, he and his partners acquired a large portion of Telekurs NA and used that base to form Telesphere Corporation, where he was CEO. Three years later, Marlin and his partners sold Telesphere to Bridge Information Systems, where he took the position of Executive Vice President. He earned a B.A. from the University of California (Irvine), an M.B.A. from UCLA, and a post-MBA Advanced Professional Certificate in Corporate Strategy from New York University. He is a former Captain and infantry company commander in the U.S. Marine Corps (serving two tours in the Far East). He is a registered securities principal and holds licenses in series 24, 7, 62 and 63. He is also the author of The Marine Corps Way to Win on Wall Street: 11 Key Principles from Battlefield to Boardroom.

COMPANY BRIEF Marlin & Associates (marlinllc.com) is an independent boutique investment bank and corporate advisory firm based in New York City, with offices in San Francisco, Washington, D.C., and Toronto. For more than 14 years, they have focused on being the domain experts for mergers and acquisitions in business software, financial technology, data, analytics, and related services. They provide expert strategic and financial advice to owners and managers of U.S. and international companies as well as to financial sponsors who invest in these companies. Their professionals have advised on more than 200 successfully completed transactions with participants in 26 countries.



I'm proud of the success we

from a half dozen factors that start with a combination of focus and expertise. We advise CEOs all the time and we talk about those two factors. We have seen that focus on being better than anyone else on the planet in some clearly defined arena makes a huge difference in a company's ability to be successful, and when that focus is combined with expertise, it is very powerful.

Expertise has multiple dimensions to it. There is generalist expertise: Right now, people think of us as a very good investment bank and we are, which speaks to a combination of skills such as knowing how to value companies, negotiate and structure deals, and understand how capital markets work. But also there is domain expertise - and that's where we differentiate ourselves. We know the industries we serve. We know the key players and how they value things and how they think. We have a mix of people who have operating expertise in addition to transaction expertise and that allows us to understand how these businesses work at the ground level. Domain expertise makes all the difference.

Another differentiating factor is our international clientele. Our clients don't define themselves geographically and neither do we. Over the 14 years we have been in business, about half of our transactions have involved a non-U.S. player and about a third of our clients have been based outside the U.S. Some of our transactions never touch U.S. shores - we often advise one foreign company on a transaction involving another.

Another of our strengths is a deal team with expertise in working with companies that require a hands-on consultative approach. We don't think of ourselves as only financial advisers to our clients. We also want to be their trusted strategic advisors. We like to step back and understand why a client wants to sell or buy a company or raise capital; where they're going; and what their alternatives are. We take joy in helping them achieve their dreams. At the same time, it's surprising how many times we've advised a management team not to move forward. Those who are used to the typical banking approach would be horrified because if the transaction isn't completed they won't get a fee. But we believe that by giving people the best long-term advice, we build a trust relationship that can be even more lucrative over the long term

As you grow, is it important to maintain the culture you created when you began?

It's very important. During my 30 years in business as a CEO, a corporate executive, an entrepreneur, and now as a banker and corporate adviser, I have seen how important culture is in organizations. Maintaining a professional ethical culture that takes the long view in advising clients, values teams over individuals, and values each person in accordance with their merits not their bank account is very important to me and to my partners. We want to take a global approach to problem solving. We love being strategic advisers, not just financial ones, and it warms my heart to see people in different parts of the organization work together sometimes long into the night – to solve some client's problem.

One of the more interesting things we've done here, with a few exceptions, is that people in the firm are not compensated on the basis of the specific deals they work on. Compensation comes in three parts: Everyone but me has a base salary plus a fixed deal bonus every time a deal closes. Any deal - not just theirs. The amount of the deal bonus differs depending on where someone is in the organization. The third piece is an end-of-year bonus that is based on firm profitability and performance - including contribution to the overall team effort. This approach encourages people to work together and it breaks down the silos that exist in a typical investment bank.

A lot of our approach stems from principles that I learned in the Marine Corps, some of which may seem strange to traditional bankers, but they work. It's our domain expertise combined with our culture that keeps clients coming back to us. That's why we get client testimonials and referrals. When I think about it, it makes me smile.

Will you touch on the success and

have had over the past 14-plus years. We've grown from four people in a single shared workspace to a couple of dozen professionals in four cities. We have advised scores of CEOs and Boards at firms of all sizes on a better way to reach their goals, and it has worked. Along the way, we have won a bunch of awards.

