Private Equity and Venture Capital

“Think Like an Owner”

Mark Grovic
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Agenda

• What is New Markets Venture Partners?
• Fund Management and Associates’ Responsibilities
• Student Experience
• What is the Application Process?
• Q & A
Experienced Venture Team Investing in Education

**Mark Grovic, General Partner & Co-Founder**
- 20 years, VC (NMVP, Baltic SEF, SEAF, Templeton, Calvert)
- 13 years Professor and VC-in-Residence at UMD, Howard U., and Estonian Business School
- J.D., Georgetown; B.A., UC-Berkeley

**Robb Doub, General Partner**
- 19 years, VC (NMVP, Baltic SEF, SEAF, Calvert)
- Lecturer at UMD and University of Warsaw
- M.B.A., Georgetown; B.A., Vermont

**Elizabeth Chou, Principal**
- 6 years, VC & PE (NMVP, The Gladstone Companies)
- 4 years, M&T Bank
- M.B.A., Columbia; B.A., Mount Holyoke

**Frank Bonsal, Jr., Special Partner**
- 30 years, VC & Angel (Co-Founder, NEA & Red Abbey VP)
- 15 years, Investment Banking (Alex Brown)
- A.B., Princeton

**Rusty Greiff, Senior Advisor**
- 17 Years In Ed Tech- Chief Strategy and Development Officer: Grockit and Learnist
- Past: IAC, Educate, Sylvan Learning
- M.B.A. Harvard; B.A. Washington University

**Don Spero, Founding Partner**
- 21 years, operator (CEO, Fusion Sys), 10 years VC & Angel
- Director of Dingman Center and Professor at UMD
- Ph.D., Columbia; B.S., Cornell

**Ben Wallerstein, Senior Advisor**
- 14 year Education Thought Leader worked w most Ed Cos
- Founder of Dudko/Grayling Ed Practice /Whiteboard
- JD Georgetown; BA U of Richmond
New Markets Venture Partners—$100M Under Management

Fund II:
- $25 MM, 8 Portfolio Companies, 3 Big Exits
- 90% Invested

Education Fund
- $30M Ed Tech Focused, 2 Exits
- 85% Invested

Education Fund II
- $30M Raised, $100M Target
- National Leader in Ed Tech Investing
Invested Capital by Sector – NMVP II

- **Business Services**
  - eCoast Sales Solutions
  - Kroll Bond Rating Agency
  - K2 Global Consulting

- **Education**
  - Questar Assessment
  - Moodlerooms
  - Think Through Learning

- **Information Technology**
  - MediaSolv Solutions
  - Andera
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<th>Education Investments</th>
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<td><strong>College Readiness</strong></td>
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<tr>
<td>ConnectEdu®</td>
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<td>Graduation Alliance</td>
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<td>American Honors</td>
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<td><strong>Capacity &amp; Access</strong></td>
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<tr>
<td>MoodleRooms®</td>
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<td>Calvert Education Services, LLC</td>
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<td>Regent®</td>
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<td><strong>Teacher Effectiveness</strong></td>
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<td>BetterLesson</td>
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<td>Kickboard</td>
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<td><strong>Improved Completion</strong></td>
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<td>Starfish retention solutions</td>
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<td>Civitas Learning</td>
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<td><strong>Personalized Learning</strong></td>
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<td>Think Through Learning Inc.</td>
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Value Added Investing

• Syndicate Building and Fund Raising
• Executive Recruiting
• IP and Licensing Strategy
• Customer Focused Sales and Marketing Assistance
• Budgeting, Valuations and Financial Projections
• Active Business Development Role
• Adjacent Market Analysis and Strategic Partnering
Select Syndicate Partners - *$6 Follows Each Dollar We Invest*
New Markets Class Structure: Associates Roles and Responsibilities
What is Unique About New Markets

• Active Investing (Board of Directors Representation)
• Learn how to buy companies, not stock
• Learn how to own and grow a company
• Learn how to sell a company
International and Domestic Economy

Industry Analysis

- Market and Competitive Analysis

Company Diligence

- Company Presentation
- On-site Diligence

Term Sheet Negotiation

Financial Model

IINVEST

SEMESTER 1

Buy

SEMESTER 2

Grow

Portfolio Management

- Board of Directors
- Additional Debt/Equity
- Management

Sell

- Exits: IPO or M&A
- Sales
- IP

Buy

Grow

Sell
Fund Associate Responsibilities

- Identify potential investment opportunities
- Market research and other due diligence
- Financial Projections, and Valuation Analysis
- Investment Recommendations
- Portfolio Consulting
- M&A and Exit Analysis
What’s In It For You?

- Learn How to Think Like An Owner
- Experience VC investing and managing portfolio companies
- Gain actual deal experience
- Develop financial modeling and strategic skills
- Work with management at software, education and media companies
- High Level Exposure to CEOs, VCs, and Service Providers
- We will help you find a summer job and may hire you
- We help with job search upon graduation
- Terrific 250 person alumni network
Alumni Job Positions

- Capital One
- Key Bank Capital Markets
- Signal Hill Capital
- Boston Consulting Group
- T. Rowe Price
- McKinsey
- World Bank
- JMI Equity
- CME Group
- Ebay
- GE Capital
- Hershey
- TD Ameritrade
- PepsiCo

- Bank Of America/Merrill Lynch
- RBC Capital Markets
- Time Warner
- Tata Consulting
- PBS
- Black Rock
- Fidelity Investments
- China Telecom
- Outcome Capital
- Deloitte
- KPMG
- PWC
- Accion International
- AT&T Foundation
"The New Markets class brings together all the business disciplines from other MBA courses in a very experiential, hands-on way. Even before the formal program started I had opportunities to work on portfolio companies and learn from innovative business thinkers. I even landed my summer internship through the New Markets network. The New Markets program is one of the primary reasons I came to Smith."

- Carter McJunkin 2010 R.H. Smith MBA Graduate

"The technical skills learned at New Markets Venture Partners combined with interpersonal and communication skills learned from collaborating with other students and entrepreneurs truly provide for an experience that only a few collegiate institutions in the United States can match”

John Chuckundah, Analyst, Signal Hill (Connected By NMVP) 2008 R.H. Smith MBA Grad

The funny thing is, I didn't really think I'd use much from your class when I was in it. And don't you know it, it became the most relevant class in 3 years of grad school.

- Gregory Willits 2013 R.H. Smith MBA Grad.

I currently work in the Investments group at The JBG Companies. The New Markets course was one of the most rewarding and competitive courses I took at Maryland. I was wondering if there are three or four students of your best students (undergraduate) who you would recommend? If possible, I would like to reach out to them directly.

- Greg 2012 R.H. Smith Graduate

I obtained a position at Camden Partners with Ian Nabb who made a presentation in our class about Due Diligence. It is unfortunate that there is no other program or classes for me to take my senior year to continue to learn and gain experience in private equity and I would really like to remain involved.

- Jessica Manzione 2015 R.H. Smith Grad
Student Feedback on PE/VC Class

• "Working with the NMVP opened up the world of technology and entrepreneurship to me. It was an awesome immersion experience that enabled me to change the course of my career." ~ Lisa Taber, Project Manager, FortiusOne - 2005 R.H. Smith School MBA Graduate (Connected w Job by NMVP)

• "My time spent working for the NMVP was the single greatest learning experience during my graduate studies. The educational value of simultaneously learning and applying lessons in real world business situations was immeasurable." ~ Derek Vansant, CFO, Artifact Software, Inc. - 2004 R.H. Smith School MBA Graduate (Connected w Job by NMVP)

• "As a result of the fund, I'm more knowledgeable about the management levers to pull when investing in and managing start-up and early-stage companies. This experience is invaluable for leaders at large and small companies who must be entrepreneurial, nimble and decisive." ~ Kristie Curameng, Manager, Digital Media, NBC - 2005 R.H. Smith School Graduate

• "I just finished working on an assignment involving IPO valuation and the terminology and the process we learnt in NMGF class came quite handy. The more I meet our clients, more I understand why you used to emphasize so much on learning in depth about the management. I am reaping the benefits of being an NMGF associate and your guidance.~ Jay Masurekar Investment Banking Associate - KeyBanc Capital Markets 2006 R.H. Smith School MBA Graduate

• “Given how competitive it is to get into venture capital, having interned at New Markets always differentiates me from the rest of my peers. New Markets helped me choose my current career and has continued to help me along the way with the network that I developed while there.” ~ Jane Hwang Santini, Class of 2008 (Connected w Job by NMVP)
General Information

- **Time availability**
  - Must schedule classes around Fund Class
  - Must be available during the day

- **Class schedule:** Tuesday, 2:00 – 4:00 p.m.

- **Runs for a full year**

- **10 – 15 positions available**
The Application

Requirements

- Cover Letter
  - Reasons why you want to work for the Fund and what you hope to contribute to the Fund
  - How your background will contribute to your performance
    - Detail Social, Entrepreneurial, Investment and Unique Experiences

- Resume

- Copy of Current Transcript
  - Unofficial printout from web is acceptable

- Sealed Envelope with New Markets/Meyer Fund Preference if Applying to Both
The Application Process

- Application Due – January 29th
- First Round Selections – February 5th
- Interviews – Week of February 8th
- Final Selections – February 12th
  – Decisions will be emailed
Q & A