Applied Investment Management
Open House
September 8, 2015

Investment Banking / Private Equity Track
Marquette’s AIM program is adding a Private Equity & Banking track
What is the *Private Equity & Banking* Track?

- While similar to the Investments track, it focuses on the concepts and skills necessary to succeed in the private equity and investment banking sector.
How does the curriculum differ between the two AIM tracks?

- Generally speaking, they are the same through the junior year.
- In the senior year, the PE & Banking track requires that the following courses be taken in lieu of three investments courses:
  - FINA 4381: Investment Banking
  - FINA 4340: Private Equity, Society and Ethics
  - FINA 4350: Applied Financial Modeling
AIM IB/PE Staff

- Dr. David Krause – AIM Director
- Jeff Germanotta – Adjunct Instructor of Finance (Investment Banking / Private Equity)
- Michael Wagner – Adjunct Instructor of Finance (Entrepreneurial Finance and Alternative Investments)
- Scott Hawig - Adjunct Instructor of Finance (Advanced Financial Modeling)
  - Chris Merker - Adjunct Instructor of Finance (Investment Ethics)
  - Bill Walker - Adjunct Instructor of Finance (International Finance and Investments)
- Jessica Hoerres – AIM Program Director
AIM IB/PE Track

Focuses on the concepts and skills necessary to succeed in the investment banking and private equity sector

Elements:

- Summer internships
- Opportunities to learn from experienced professionals
- Financial modeling and case studies
- Management of the micro-cap equity fund
- Use of “in the trenches” guest speakers in the classroom
- Creation of a Private Equity & Banking Club
- Opportunities for students to assist in the monitoring and evaluation of the performance of private equity investments within various investment portfolios
Investment Banking Overview

Typical structure of an investment bank
Investment Banking Model

**What Investment Banks DO**

- Capital raises
- M&A transactions
- Advisory

**What Investment Banks DON’T Do**

- Analyze individual securities
- Portfolio Management
- Invest

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**Early**

- Private Equity Placement
- Venture Investment

**IPO**

- IPO Underwriting

**Growth**

- Buy-side Advisory
- Follow-on Offerings
- Divestiture Advisory
- Share Repurchase

**Later Stage**

- Strategic Alternative Analyses
- Seller Advisory
- Recapitalization Advisory
### Why Investment Banking?

- Exciting transactions
- Meaningful work for clients
- Fast-paced environment
- Challenging work
- Opportunity to learn
- Intelligent, experienced co-workers & clients
- Career development

### Types of Investment Banks

#### Boutique
- Small deal size and deal teams
- Specialized by region, sector, type and/or style

#### Middle Market
- Smaller deal teams
- Mid range deal size
- Multiple geographies
- Full range of services

#### Bulge Bracket
- Large deal teams
- Largest deal sizes
- Global
- Full range of services
Team Structure

- **Managing Directors**
  - Client engagement
  - New business origination
  - Transaction negotiation

- **Directors**
  - Origination support
  - Execution coordination

- **Vice Presidents**

- **Associates**
  - Valuation and modeling
  - Pitch material preparation
  - Marketing document preparation

- **Analysts**
  - Diligence process management
Role of an Analyst

- Industry and company **ANALYSIS**
- Financial **MODELING**
- Company **VALUATION**
- **MARKETING** materials: Pitch books, teasers, road show presentations
- Facilitate due diligence, coordinate meetings and complete other organizational **PROCESSES**
- Develop **KNOWLEDGE** of industries and transactions
Private Equity Overview

Source: Federal Reserve Bank of Dallas, IFSL, EVCA/Thomson Venture Economics/PricewaterhouseCoopers
NIBC Competition & Conference

National Investment Banking Competition & Conference

- Given a case study and asked to create a pitch book
- Gain valuable experience in valuation, including DCF, LBO, precedent transactions, comparable companies, and accretion/dilution model
- Opportunity to pitch in Vancouver in front of top investment banks

Last Year's Team
Student Contact Information

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