
Great communications for board roles

Tate Pursell

Agenda

- **Types of boards**
- **Target the right opportunities**
- **Your Value Proposition**
- **LinkedIn**
- **Bio**
- **Get the message out**
- **Eblast Letter**
- **Keep communications fresh**
- **Board certification**

- **NOT covered**

4 types – they are different
Fish where the fish are
Focus on WIIFM. Keep it short!
Why it's important
Board Bio construct
Don't be a best kept secret
Format, and brevity
LinkedIn posts, refresh profile
Get educated

Resumes, interviews, SEO,
keywords, networking, skills matrix,
compensation

Different Types of Boards

Private (for-profit)

- Private Equity, Family-owned, ESOP, VC, SPACs, Sole Prop, Small group
- Industry expertise, focus on strategy, operations
- Comp: retainer + equity or hourly
 - VC – equity only

Charitable non-profit

- Focus on mission/ your passion
- Give or get
- Compensation is personal fulfillment

Local government commissions & boards

Public (for-profit)

- Much time spent on compliance, governance, risk-mitigation, outside appearances, reputation, avoiding director liability
- Strategy and operations focus when troubled or stock price is down
- Recruiting diverse candidates
- Comp higher than private: retainer and equity

Associations – professional / trade

- Members from specific group(s)
- Focus on members' issues/ needs
- Board members rarely compensated

Fish Where The Fish Are

Where Have All the Public Companies Gone?

By Jason M. Thomas

The media and the public pay a lot of attention to broad stock market indexes, but many of the most well-known measures aren't what they seem. The Wilshire 5000, for example, contains roughly 3,500 companies. There haven't been 5,000 domestic stocks to include in the index since 2005.

The number of public companies in the U.S. has been on a steady decline since peaking in the late 1990s. In 1996 there were 7,322 domestic companies listed on U.S. stock exchanges. Today there are only 3,671. Easy access to venture, growth and private-equity capital means that companies no longer need to pursue an initial public offering to fund growth or access liquidity. Increases in regulations, shareholder lawsuits and activist demands have also diminished the appeal of a public listing. Over the past two decades, the number of annual IPOs has fallen sharply, to 128 in 2016 from 845 in 1996.

Companies are going public later in their lifespans—if they ever do at all. The dearth of IPOs has led to a 50% increase in the average age of public companies, from 12 years in 1996 to 18 years in 2016. Jeff Bezos founded Amazon in 1994, taking

the company public three years later with an enterprise value of approximately \$600 million. From 1997 to 2002 public investors enjoyed a 12-fold appreciation in Amazon's stock. Conversely, Mark Zuckerberg waited until Facebook was eight years old before taking it public. At the time of Facebook's IPO in 2012, the social-media company had a market value of more than \$100 billion.

There are 3,671 domestic listings today, down from 7,322 in 1996. Investors can feel the difference.

The trend away from IPOs has benefited private market players at the expense of everyday investors. With companies like Uber, Airbnb and other successful startups delaying their IPOs for so long, there is little prospect for public returns on a scale similar to those enjoyed by Amazon's early stockholders. The aversion to public listings isn't limited to the technology sector. Microcap, small-cap and midcap stocks have all but disappeared from U.S. exchanges. Over the past 20 years, the average size of a

publicly listed company in the U.S. has risen nearly fourfold, after accounting for inflation.

As a large number of yesterday's "growth stocks" have migrated to private portfolios, so too has the diversifying economic exposure they provide. The dispersion of stock returns—the average difference in monthly returns across all stocks—has declined as a result, narrowing the gap between the winners and losers. Less dispersion reduces the value of stock picking, and investors have responded accordingly. Since 2000, roughly \$1.7 trillion has been invested using passive strategies like exchange-traded funds and index mutual funds. At the same time, funds pursuing active strategies have experienced \$1.4 trillion in outflows.

Since ETFs and index funds buy stocks on a pro rata basis, ignoring price or fundamentals, the rise of passive investing has intensified the correlation of returns across stocks. Discretionary, research-based stock selection now accounts for only 10% of average trading volume. The offsetting deviations in company performance that were once the hallmark of a broadly diversified stock portfolio have been overwhelmed by marketwide buy or sell orders.

Equity allocations are supposed to offer investors exposure to earnings growth and idiosyncratic business risk. Company-specific outperformance has become increasingly difficult to achieve in public markets dominated by mature businesses and passive fund flows. Today, it isn't possible to assemble a portfolio with the same makeup as the stock market of 1997 without exposure to private markets.

Many investors take this approach in emerging markets, where mega banks, mining, energy and telecommunications companies tend to account for a disproportionate share of available stocks. The limited pool of investment options in such countries means that market values tend to be highly correlated and fluctuate in response to fund flows rather than fundamentals. The greater the dissonance between the stock market and the real economy, the more investors must rely on various forms of private equity to gain exposure to the underrepresented but faster-growing industry segments and companies.

The stock market today isn't the stock market of 20 years ago. Investors, take heed.

Mr. Thomas is director of research for the Carlyle Group.

U. S. Board Opportunities

Public: 3,600 companies x 7 = 25,200 outside directors

Private:

- **16,100 PE companies x 2 x 85% = 27,370 outside directors**
- **Another 5,000 unreported x 2 x 50% = 5,000 outside directors**
- **Plus 8,000 VC portfolio co's x 2 x 85%= 13,600 outside directors**
 - **Total Private = ~46,000 outside director opportunities**

Note: data as of 2020

Keys to seeking board roles

- **Governance education &/or experience**
- **Unique Value Proposition**
- **Adapt your materials/public profile**
 - Bio
 - Linked-in profile
 - Effective letter
- **Mechanism to get to market**
- **Go about it in an organized fashion**

Shaping your marketing materials - 1

- **Unique Value Proposition**
- **“What I can do for your company”**
- **From the company decision maker’s viewpoint, it is “what’s in it for me?” – the WIIFM.**
 - NOT what you’ve done in the past
 - What you can do for them NOW
- **Focused on industry or function**
 - The more focused, the more unique

Shaping your marketing materials - 2

What is a Unique Value Proposition?

- **Short statement that summarizing benefit you bring to a board. Contains (or implies):**
 - Type of company/ board benefitting from your unique skills;
 - Benefit you can provide.
- **Speaks simply in the company/ board's frame of reference**

It is NOT a slogan – it's a headline.

You Need a GREAT UVP - 1

How to optimize the UVP

- **Put the WIIFM first**
- **Mention the target audience when possible**
 - **Narrow the focus**
- **And ... how can you make them EVEN better?**
 - **Shorten them to under ten words whenever you can.**

You Need a GREAT UVP - 2

ACCD test pilots – well done:

Board Member – Construction technology

- **Original:** Make engineering services firms - and their leadership teams – better through strategic alignment, technology integration, and value creation.
- **Better:** Make engineering services firms - and their leadership teams – better

International consultant

- **Original:** Accelerates market growth and returns of national/global manufacturing companies operating in highly competitive and changing markets.
- **Better:** Accelerates market growth and returns of global manufacturing companies

You Need a GREAT UVP - 3

ACCD test pilots – suggested mods:

- ***Global Chief Operating Officer – Law firm***
 - **Original:** Results-Oriented Global Executive Helping People-Driven Businesses Achieve Strategic and Operational Goals
 - **Better:** Helping global people-driven businesses achieve strategic and operational goals
- ***Chief Financial Officer – Residential community***
 - **Original:** Aligning enterprise business strategy and financial operations to drive business growth
 - **Better:** Driving business growth by aligning business strategy and financial operations.
- ***Chief Executive Officer – International consulting***
 - **Original:** I help PEs unlock massive growth potential in companies who should be dominating their market categories.
 - **Better:** helping PE-owned companies dominate their market categories to unlock massive growth potential.

You Need a GREAT UVP - 4

ACCD test pilots – suggested mods 2:

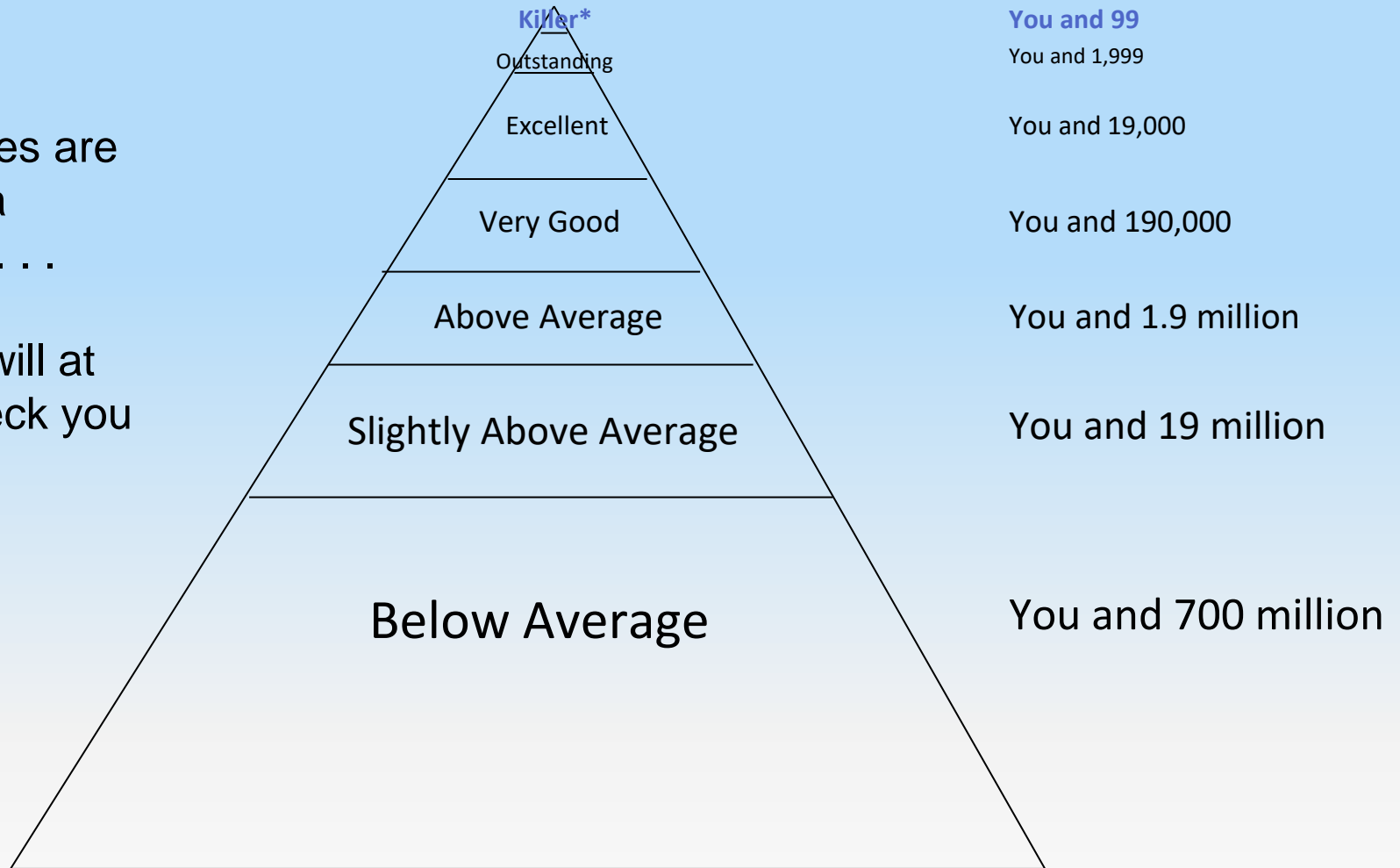
- ***Executive Vice President – technology solutions provider***
 - **Original:** I help management teams create stakeholder value through great strategy, technological innovation, and operational transformation
 - **Better:** creating stakeholder value through great strategy, technological innovation, and operational transformation.
- ***CEO, instrument company***
 - **Original:** I help drive results by combining hands-on B2B experience with a strategic mindset to guide sustainable growth, increase profitability, and create long-term value for investors and stakeholders.
 - **Better:** driving sustainable growth, profitability, and long-term value via hands-on B2B experience with a strategic mindset.
- ***Chief Information Security Officer – technology integrator***
 - **Original:** Expert(ise) in assessing and managing cybersecurity risk while enabling successful business goals in a digital transformation environment.
 - **Better:** managing cybersecurity risk while enabling digital transformation success.

Marketing Materials

1. **LinkedIn** - to attract in-bound searches
2. **Board Bio** - for board director selection committees
3. **Body of an outbound standard letter/email**
 - Powerfully expresses your UVP
 - Tailor first and last paragraphs to specific target.

The importance of a killer LinkedIn profile

- 50% of candidates are found via LinkedIn. . .
- Or they will at least check you out!



730 million LinkedIn members

LinkedIn Profile – Best Practices

Headline Sets The Stage For Your Profile

- **First marketing statement**
- **Headline must be forward looking**
- **Highest search value area**
- **Use words that market you**
- **Do not waste this area with titles unless you need more search points**
- **Separate points with “pipes” (|’s)**
 Uppercase backslash on keyboard

80% of impact is in “Headline” and “About” sections

Headline:

- Gives you 120 available characters
- Pick words a Nominating Committee Chair would use to find someone like you
 - Or recruiter or HR, or Operating Partner
- Make your Board interest prominent
- Entice readers to review “About” section

LinkedIn Profile – Best Practices



Tate Pursell, Corporate Board Director, NACD.DC

Makes manufacturing companies - and boards - better |
Compensation - HR Committee Chair | Audit - Risk Committee |
Governance Committee | Strategic Planning | M&A | Private Equity |
Family Businesses

Jacksonville, Florida, United States · [Contact info](#)

[500+ connections](#)



MSI Capital Partners



NACD (National Association
of Corporate Directors)

- UVP primary
- Illustrates where one can help

80% of impact is in “Headline” and “About” sections 2

- **About Section:**

- Gives you 2,000 available characters
- Start with a strong, *but brief* elevator speech
- Followed with your 2-3 ‘Campaign Platforms’
- And ‘evidence’ under each
- Primary location for keywords for SEO

LinkedIn Profile – Best Practices 3

Your “About” field is your marketing document

- Answer: why should I select you for our board?
- Tell your story!
- Make the first 2 lines count!
- Do not use resume speak!

LinkedIn Profile – Best Practices 3

“About” section – first two paragraphs

- **Reasons to believe the headline**
- **Keywords for SEO**

Makes manufacturing companies -- and their boards -- better.

Certified outside director and private equity operating partner/ group executive, mentoring CEO's and optimizing investments in lower middle market manufacturers, installers, and distributors. Served on twelve boards of directors, including private equity and family owned companies. Currently independent director of two private companies; chaired compensation committee, serves on audit/risk and compensation committees. After years at Unilever and GE, became CEO of six manufacturing / distribution companies (four private equity owned) and then became an operating partner / group executive for two PE funds in succession, overseeing eight operating companies. Subject matter expert and public speaker on the board's role in cyber security, executive compensation, and director recruitment.

BOARD DIRECTOR / CORPORATE GOVERNANCE

Served on twelve boards

Chaired Compensation and Special Finance committees

Audit/Risk and Governance committees

NACD Governance Fellow Certification

Big tips.... And small tips....

- Punctuation in the headline matters (a lot)
 - Spike bars | pipes | -- not / or •
- Look 'LinkedIn savvy' and capture your vanity* URL:
 - Not www.linkedin.com/b12.96.log.tate.pursell.512006
 - Rather www.linkedin.com/in/purselltate
- Provide contact information, particularly important for those not already not connected. Make it idiot proof.
- Refresh your LinkedIn regularly
 - Change something in your profile at least weekly
 - Post and repost; show activity

Private equity sticky keywords

- EBITDA Growth
- Revenue Acceleration
- Margin Enhancement
- Multiple Expansion
- Deal Origination
- Top grading
- New Channels/Markets
- International Expansion
- CEO
- CMO
- CXO
- Lean Manufacturing
- Turnarounds
- Exit Strategies

Board bio optimization

Your 'usual' resume and Bio:

- Talks about the number of dragons you slayed
- Your Type A behaviors
- The acquisition you made, and eliminated a plant and 240 people, and 3 points of SG&A
- 2 pages max
- No picture

Your 'Board' Bio

- Speaks to your coaching skills
 - Your softer side
 - Executives you mentored
 - High potentials you recruited
- Keeps the tone Strategic, and 30,000' – speaks like a Board member, not a C-Suite exec
- Highlights all Boards, including non-profits, experience, and credentialing
- Parallel your LinkedIn
- ONE page best
- Include picture

Board bio structure

- Brief summary
- Current role/ Activity
- What s/he can do for your board/ company with examples
- Previous executive roles not ref'd above
- Summary of all boards
- Contact info below

Tate Pursell

Tate Pursell is an experienced board member, CEO, and private-business veteran with broad industry expertise in both industrial distribution and manufacturing sectors. He has served on twelve boards of directors, acted as corporate secretary of three boards, served on audit/risk and governance committees, and chaired the compensation/human resources committees of two boards.

Presently, Tate is an operating partner of MSI Capital Partners, an independent sponsor private equity firm focused on acquiring and managing manufacturing and business services companies. He is currently an independent director of a family-owned company and chairs the compensation/HR committees. Tate is a subject matter expert and public speaker on the board's role in operational improvement, growth via acquisition, executive compensation, and director recruitment.



Boards seek Tate for his expertise in mergers and acquisitions. As a group executive and operating partner of Cortec Group, a private equity fund investing in manufacturing and distribution businesses, his role was both to oversee the CEOs of four portfolio companies and, as a member of the deal team, to engage in deal sourcing, valuation, due diligence, negotiation, and integration for the fund. As corporate secretary and independent director of Plasma Air International, a distributor/ manufacturer of air purification equipment, he prepared the company and executed a successful sale to a European private equity fund, generating a 5x cash-on-cash realization to shareholders. Before that, he led a division of a "buy-and-build" acquisition platform that acquired and integrated 16 companies, then sold the \$450 million entity to a strategic buyer.

As an operating executive, he has over 30 years' experience as a C-suite executive, board member, and private equity partner. With knowledge in industrial distribution, manufacturing, and services, he is expert in strategic planning, new product development, new market expansion, acquisition valuation, due diligence, and integration. Industries include: building products (HVAC/hearth products, electrical, hardware, flooring, and fenestration), materials distribution, plastic molding, fasteners, and business services. He lived overseas for years in Asia and Europe, and has done extensive business in Latin America.

As Group President of Applied Tech Products, he oversaw four private equity owned portfolio companies. He was also CEO of Panorama Windows, and before that, CEO of Unique Home Designs, a manufacturer of aluminum doors. Previously, he was CEO of three Masco companies: American Metal Products, Baldwin Hardware Corporation, and Baldwin Home Accent Stores. Early experience includes executive roles with GE Lighting, Thomas & Betts, and Unilever. Earlier, he was a decorated Air Force Captain and Management Analysis Officer. Tate earned a BA in Biology and Chemistry and an MBA from Washington University in St. Louis. He also holds a National Association of Corporate Directors Certification and both a Certificate in Private Company Governance and a Certificate in Private Equity Governance from the Private Directors Association.

Board Experience

- Support Systems Associates, Inc. – 2020-present – Director, family-owned provider of aerospace systems
- Weiler Corporation – 2019-2021 – Director, family-owned global distributor/ manufacturer
- Barton Group – Director, family-owned global materials distributor – 2005-2020 – chair of Comp/HR Committee, served on executive, audit/risk & governance committees
- Director & Secretary-Plasma Air International-2015-16
- Director - Lectrus Corporation, operating company of RFE Investment Partners – 2012-16
- Director - Hallex Corporation, operating company of American Capital – 2008-11
- Director & CEO - SmartFlow Technologies, Inverness Graham portfolio company - 2009
- Director & CEO - Unique Home Designs - 2005-6
- Director & Secretary - International Executives Resources Group (IERG) – 2004-6
- Director & Secretary – Unlimited Horizons, Inc.
- Director - Builders Hardware Manufacturers Association – 1998-2000
- Director and Committee Chair - Gas Appliance Manufacturers Association (AHRM) – 1996-7

Office: 212-490-9710

<https://www.linkedin.com/in/purselltate/>

Email: pursell@mgmtserv.com

Effective email tactics

- Tailored subject line - “hook” them with something relevant to them (like a recent acquisition) → Subject: Congrats on “Our Pet’s”
- Tailored first sentence – show that you have done some research on their company – use Pitchbook, Crunchbase, etc. → Peter – long time, no talk. Glad to see that you are very active with your recent purchase of Our Pet’s and last year’s acquisition of TacMed and exit of PPI-Time Zero.
- Highlight a recent piece of good news relevant to your qualifications and ambitions. → I just wanted to let you know that I have recently been elected as an independent director on the board of Weiler Corporation, a Pennsylvania-based, privately owned manufacturer with operations in eight countries. This is in addition to my serving on the board of the Barton Group, a materials and manufacturing company, where I chaired the Compensation/HR committee and now work on the Audit/Risk and Governance Committees. Weiler will be the eleventh board on which I have served.
- Indicate you have time to devote to their board(s) → Even with Weiler and Barton, I continue to have bandwidth available to contribute my experience in board governance, M&A, revenue growth, and operational improvement.
- Recap examples of what you can do for their operating companies. → From our previous conversations, you’ll remember that I was:
 - Group President at Saunders, Karp, And Megrue and oversaw four operating companies for a private equity fund consolidating specialty plastics manufacturers.
 - Operating Partner and Group Executive at Cortec Group and oversaw four operating companies for private equity investment firm acquiring middle-market consumer and industrial manufacturing and distribution businesses.
 - CEO, Baldwin Hardware Corporation: 1,100-employee manufacturer, where we increased profit 80% over two years while growing sales 56% to \$185M. Awarded “Best Places to Work in PA.”
 - CEO of American Metal Products: 500-employee HVAC products manufacturer, where we increased profit 78% over two years while growing sales 12% to \$56M; we also restructured operations, built overseas plant, saving \$1.7 M annually.
- Ask for “the order.” → With your new acquisitions, you may have needs within your portfolio for an independent director who can support a CEO and management team; if so, I would certainly like to help.
- Ask for a time to talk. → When you get the chance, let’s catch up on a call at a time convenient for your schedule.

Board Education / Certifications

American College of Corporate Directors (ACCD)

DIRECTOR QUALIFIED

Executives not currently serving on a company board (and without any previous public company board experience)

PROFESSIONAL DIRECTOR - PRIVATE COMPANY

For executives who currently serve on a privately held company board

PROFESSIONAL DIRECTOR - PUBLIC COMPANY

For executives who currently serve on a publicly traded board, or have served on a public company board within the past 5 years

MASTERS PROFESSIONAL DIRECTOR - PRIVATE COMPANY

For executives who have held a Professional Director-Private Company credential for one year - requirements must be achieved annually to maintain credential status

MASTERS PROFESSIONAL DIRECTOR - PUBLIC COMPANY

For executives who have held a Professional Director - Public Company credential for one year - requirements must be achieved annually to maintain credential status

National Association of Corporate Directors (NACD)

NACD DIRECTORSHIP CERTIFICATION

US-based certification program designed to qualify corporate directors for effective boardroom performance. Based on a professional examination and continuing education, this certification verifies that directors possess the specialized knowledge, expertise, and skills needed to discharge their fiduciary responsibilities as board members.

NACD BOARD LEADERSHIP FELLOWSHIP

NACD Board Leadership Fellowship is a credential for qualified, experienced board leaders. It provides a director-education road map for continuous learning and translates that knowledge into a distinguished credential. The credential helps directors navigate today's rapidly changing business environment with a continuous-improvement plan so that today's directors are always ready for tomorrow's boardroom.

CYBER RISK OVERSIGHT CERTIFICATE

NACD has partnered with the CERT Division of the Software Engineering Institute at Carnegie Mellon University and Ridge Global to develop the Cyber-Risk Oversight Program. This program is designed for directors who wish to enhance their understanding of enterprise cyber-risk issues. The course confers the CERT Certificate in Cybersecurity Oversight, a tangible credential that demonstrates a firm commitment to cybersecurity literacy.

Private Directors Association (PDA)

CERTIFICATE IN PRIVATE COMPANY GOVERNANCE

The Private Company Governance course will provide a baseline education in independent director duties and an overview of different types of private company structures. Benefit from self-paced and interactive governance learning for serving and would-be private company directors.

PRIVATE EQUITY PORTFOLIO COMPANY GOVERNANCE COURSE

A primer designed for private equity (PE) partners and managers, portfolio company executives, and independent directors who work together in boardrooms.

ESOP GOVERNANCE ESSENTIALS

*This course is ideal for:
Aspiring ESOP directors
Directors new to ESOP boardrooms
Owners considering an ESOP model*

Questions?

Contact information

VISIT: www.linkedin.com/in/purselltate

TATE PURSELL 917-940-4471

pursell@mgmtserv.com

Appendix

VC vs PE

	Stage of investment				
	Angel	Seed	Growth	Crossover	Late Stage / Buyout
Investment Size (US\$)	US\$10K - US\$250K	US\$250K - US\$2M	US\$10M - US\$50M	US\$50M - US\$100M	Depends. Could be millions to billions.
Holding Period (Years)	8 - 10 years	6 - 8 years	5 - 7 years	> 5 years	3 - 5 years
Return Expectation (% Per Year Or Multiple)	>75% IRR or +10x	>60% IRR or +10x	>40% IRR or +7x	~25 to 35% IRR or +5x	>18% IRR or +3x
Investor Type / Stage	Individuals or group of individuals	First institutional check	Series A through C	Series C through IPO	Majority control / debt financed
Firms Involved (Reference Only)	