



CYPRIMUM

PARTNERS

Non-Control Capital for the Middle Market

Women in PE to Know: Cindy Babitt and Beth Haas

McGUIREWOODS

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Cindy Babitt and Beth Haas are two of the six partners who collectively formed Cyprium Investment Partners in 2011 to manage the legacy Key Principal Partners (KPP) portfolio where they worked together for over a decade. Now working for almost 19 years together, Babitt and Haas, along with their co-founders, have deployed over \$1.5 billion in 87 platform companies.

Prior to joining KPP in 1998, Ms. Babitt worked for Carleton, McCreary, Holmes & Co., a Cleveland-based investment banking firm. Babitt spent three years at CMH, with a primary focus on industry research, financial analysis, buy- and sell-side transactions and valuation for public and private companies. Prior thereto, Babitt worked as a laboratory technician for Seibert Powder Coatings and as a statistician for the University Hospitals of Cleveland. She received her MBA from the Weatherhead School of Management at Case Western Reserve University and her BS in biology from the University of Miami.

Ms. Haas joined Cyprium's predecessor KPP in 2000 from KeyBanc Capital Markets, where she was an associate in the investment banking division. Haas was actively involved in the completion of a variety of corporate finance transactions, including private equity offerings, mergers and acquisitions (M&A), private placements and fairness opinions. Previously, she served as an analyst at Carleton, McCreary, Holmes & Co., where she was responsible for research and financial analysis in support of middle-market M&A. Haas received her BA in government with honors from Dartmouth College and received her MBA from the Wharton School of the University of Pennsylvania.

Q: What attracted you to PE?

Cindy Babitt (CB): After initially spending more than three years in the investment banking field with a focus on capital raises and buy- and sell-side transactions, I realized my passion was actually learning about the various businesses



CINDY BABITT
Partner



BETH HAAS
Partner

and truly understanding what made them each unique and how they added value to their customers.

I also personally found it intriguing and fascinating when initially meeting with the business owners, especially entrepreneurs, and learning about their respective journeys — the trials, tribulations and great successes for either starting or buying the businesses they owned/managed. These stories were so incredibly inspiring that it became difficult to resist the opportunity to invest alongside these individuals, rather than simply facilitating a transaction from the sell side.

Beth Haas (BH): For me, it was the ability to really live with investment decisions and prove out a thesis over time. I started my career in investment banking, primarily focused on M&A. I loved learning about different companies and crafting the story that was presented to potential buyers, but once the deal closed, I always found myself wondering how it went. It ultimately became unsatisfying to just complete one transaction and move on to the rest.

In PE, you get to live with your investment decisions — good or bad! It creates an opportunity to build lasting relationships



Women in PE to Know, cont'd

with entrepreneurs and management teams and allows you to implement a strategy and let it play out. Today, these relationships and collaborations are what I enjoy the most about my role.

Q: Why is it important for more women to pursue careers in PE?

BH: In my experience, different questions get asked when there is a woman leading a deal, on the board of directors or even just in the room. This diversity of perspective and experience can enhance investment and management decisions and, in my opinion, ultimately fund returns. Statistically, raising capital is harder for female-owned or female-led companies, but funding rates do increase when the PE or venture capital firm has a female partner. Access to the right type of capital at the right time in a company's development is crucial.

CB: Women often have different perspectives and interests and have had unique experiences throughout their lives, compared to their male counterparts. I believe that women provide a different insight on businesses that can often be helpful. These perspectives and experiences can be distinctively valuable in not only evaluating new investment opportunities, but also post-investment as a participant on the company's board of directors or just as general business adviser.

Q: What do you think is the biggest challenge facing women entrepreneurs? What advice would you provide to overcome it?

CB: The ability to secure capital to enable an entrepreneur to grow their business is always a challenge. Unfortunately for women, I think this task is an even harder obstacle to overcome as they often must prove their business concept more than male entrepreneurs. My advice to women entrepreneurs is to make sure they are well-prepared — and even over-prepared — for meetings with investors, and to make certain that they know the financials of their business just as well as they do their offering. Most importantly, I would

encourage them to be resilient and never give up — which, fortunately for women, is one of our greatest strengths!

BH: I think that building the right network can still be a challenge for women. Develop a network of supporters, ideally including both men and women, and don't be afraid to ask for help.

Q: What advice would you provide to a woman-led company interested in securing PE?

BH: Don't be afraid to ask for what you need and to cite your accomplishments. It has been my experience that women tend to be more conservative with regard to financial projections and somewhat more prone to share credit than to tout their accomplishments. If you've built a great business with a meaningful market opportunity, don't be afraid to aggressively sell that story. Above all, be true to yourself and your vision for the company.

CB: I am very proud to say that Cyprium has invested in two businesses where a woman was the majority owner. In my mind, the fact that Cyprium has two female partners is not only a valuable asset, but it led to securing these investment opportunities. In both situations, the women leading these companies had secured extremely strong management teams and advisers.

My ultimate advice to a woman-led company interested in securing PE is to build a strong team that complements your strengths. The team of managers and advisers should be comprised of individuals who make your company and knowledge stronger and not just others with similar backgrounds and skills. Do not be afraid to ask questions if you are uncertain of various deal terms/structures and secure your capital from those you believe will support you and your company.

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