

Case Study:

Creating A Premium Value Positioning



■ BACKGROUND

Leading sub-prime mortgage lender was interested in spinning off from their retail banking parent company (Regions Bank)

CEO believed that a premium valuation could be achieved from a strategic buyer who was interested in marketing lucrative sub-prime securitized assets

Needed to reposition the firm and make it more attractive to strategic buyer seeking specialized expertise and high yield loan portfolio

■ CHALLENGES

Sub-prime lending viewed as very unattractive to retail banks because of litigious environment and predatory lending accusations

Highly profitable business in 2006 - but lacked clear marketing plan and sales strategy for growing their book of business

Precedes credit fallout that would occur in mid-2007 - management team seeking a premium valuation for investors and more senior roles in new entity

■ APPROACH

Performed role as de facto CMO for the organization and developed marketing plan for the business

Targeted high-value broker relationships to drive growth in volume

Created compelling story around the potential for the business and helped to target three potential acquirers

RESULT

Sold to Barclays Capital for \$220 million in advance of sub-prime market fallout

Created premium value positioning for the company and helped secure buy-in from management team and investors to support deal

Facilitated the transaction to successful closing and provided guidance to both parties related to integrating marketing activities

