

BLUELINE

VENTURES

# Blueline Ventures Fund I

Seeking to acquire a portfolio of high-performing businesses built for the long-haul

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# BlueLine Ventures is seeking to acquire **lower middle market cash-flowing companies** in the niche manufacturing, distribution, healthcare, logistics, and related B2B service industries

We buy great companies and help them grow....



**EBITDA RANGE**  
\$750,000 - \$3,000,000



**EBITDA MARGINS**  
> 20%



**REVENUE**  
> \$2,000,000



**OPERATING HISTORY**  
>10 Years

# Combining visionary investing & world class expertise



**Joseph Wechsler**  
FOUNDER / PARTNER

**Joe** has over 20 years of experience in both large consulting organizations & the entrepreneurial environment.

He has successfully founded and acquired several businesses throughout his career, responsible for more than \$20MM in revenue and 230+ employees.

Joe earned an MBA from Fisher College of Business at The Ohio State University, and a BA in Economics Management and Spanish from Ohio Wesleyan University.



**Bo McMahon**  
PARTNER

**Bo** has 15 years launching and acquiring small businesses. He got his start at a Boston based private equity and debt firm, and later joined a private equity start-up.

Bo has been the lead sponsor/developer in various asset classes of real estate (\$110MM+), and bought or launched several businesses including contracting firms, restaurants, and custom metal fabrication.

Bo earned his Bachelor's degree from University of MA, Amherst with a concentration in banking and finance.



**Kris Benson**  
PARTNER

**Kris** has extensive experience in capital raising and fund management. He was the Chief Investment Officer at Reliant Real Estate Management, a top 20 self-storage operator in the US with over \$2 billion of assets under management. Prior to Reliant, he was involved in various roles in the medical device industry at both Intuitive Surgical and Covidien.

Kris holds a Bachelor of Science in financial economics from State University of NY at Binghamton.



**Paresh Mehta**  
PARTNER

**Paresh** brings over 20 years of experience in healthcare in both clinical practice and executive management.

As President of GCSA, Paresh spearheaded a turn around (>50MM revenue) and helped create a best-in-class private equity platform.

Paresh's background includes leadership in large healthcare operations, and a strong foundation in investing across multiple asset classes.

Paresh finished his medical training at Cleveland Clinic.



**Mike Bernhart**  
PARTNER

**Mike** has over 20 years of experience including leadership and business transformation across multiple industries.

At Pratt & Whitney, he served as Financial Controller for a \$500MM+ manufacturing unit and negotiated several \$100MM+ contracts with major airlines across Europe and Asia.

Mike earned an MS in Accounting from the University of Connecticut, and a BA in Economics Management from Ohio Wesleyan University.

# Why Invest With Blueline

## Examples of Companies Our Partners Have Managed/Owned



**VirtuAlly** is a telehealth services company, providing technology enabled virtual care to health systems across the country

- **109%** Year Over Year **revenue growth** thru 7/31/24
- **28% ahead** of projections
- Enterprise Value based on market comparisons has **increased ~8x in two years**
- Currently evaluating strategic acquisition options



**American Metal Fabricators** is a custom metal manufacturing company with a 35-year proven history of highly-skilled metal fabricating with a variety of materials including steel, stainless steel, and aluminum – acquired Oct. 2021

- **48%** annual **revenue growth** in first 2 years (projections were 10%)
- **MOIC at 2 years 2.12** (includes the increased EV based on performance)
- 26% average annual cash-on-cash



**GI Alliance** is a physician-led and majority physician-owned GI practice management company providing services to over **800 gastroenterologists** across 16 states

- Led rollup into early stages of the platform in 2019
- Became best-in-class majority physician-controlled [Apollo](#) backed platform in 2022
- **>3.5 MOIC equity growth** to GCSA investors at recapitalization

# Advisory Team



**Mike Moxley**

ThreadKore, Columbus, GA

**Mike** is the President and Founder of ThreadKore. Prior to ThreadKore, Mike was in public accounting focusing on M&A and tax strategies. He moved to the private sector and took on the role of CFO at a mid-size homebuilder in Georgia. Unsatisfied with current builder software offerings, Mike assembled a team and began building an ERP platform. With the new system in place, Mike resigned as CFO of the homebuilder, and took on the new opportunity to help lead and shape ThreadKore.



**Robert Irving**

Summit Fire Protection, College Station, TX

**Robert** is a Regional Vice President at Summit Fire Protection – a platform company of a large private equity firm into which he sold his own company. Robert runs regional operations and leads the company's acquisition efforts in the region.

Robert has an MBA and a Masters degree in Occupational Health and Safety, and he teaches Mergers and Acquisitions at Texas A&M's Mays Business School, his alma mater.



**Ivan Nikkhoo**

Navigate Ventures, Beverly Hills, CA

**Ivan** has over 41 years of C-level global experience in the tech sector. Ivan is the Founder and Managing Partner at Navigate Ventures, a B2B Enterprise SaaS early/mid growth stage fund focused on helping entrepreneurs outside Silicon Valley, between series A and the B Growth rounds (A Extension Rounds). Ivan is also the principal at N3 Capital, a multi-strategy single family office focused on long term strategic, responsible, and sustainable direct and indirect investing across asset classes including Venture Capital, Private Equity, and Real Estate.



**Kevin Heskett**

Coles Gray LLC, Atlanta, GA

**Kevin** has spent the majority of his career in the industrial sector, most notably in the steel industry. He currently serves as a partner at Coles Gray, a Private Equity firm investing in North American industrial-focused companies with a long-term focus.

Kevin has a BS in Accounting from the University of Tennessee.

# Why Invest in Business Acquisitions?



**"If you get the major trends right,  
you can make mistakes and still  
succeed."**



**-Brad Jacobs**

Founder of 8 billion-dollar plus companies



# The Trend: A Booming Retirement Population

**+40%**

**expected increase**

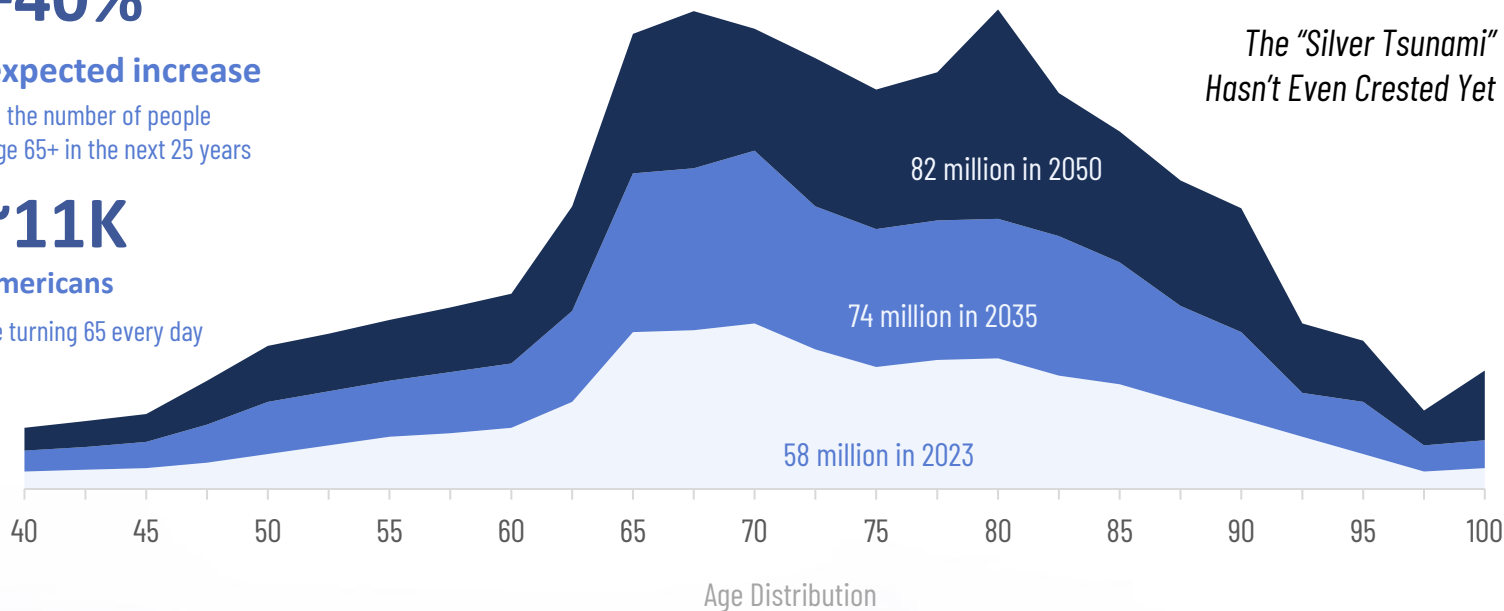
in the number of people  
age 65+ in the next 25 years

**~11K**

**Americans**

are turning 65 every day

Retiree Population (Millions)



# 70% of U.S. business owners are expected to leave their business in the next 10 years, but most don't have a transition plan



**7.7M**

U.S. businesses will change hands in the next decade<sup>1</sup>



**80%**

of businesses fail to transition or sell<sup>2</sup>

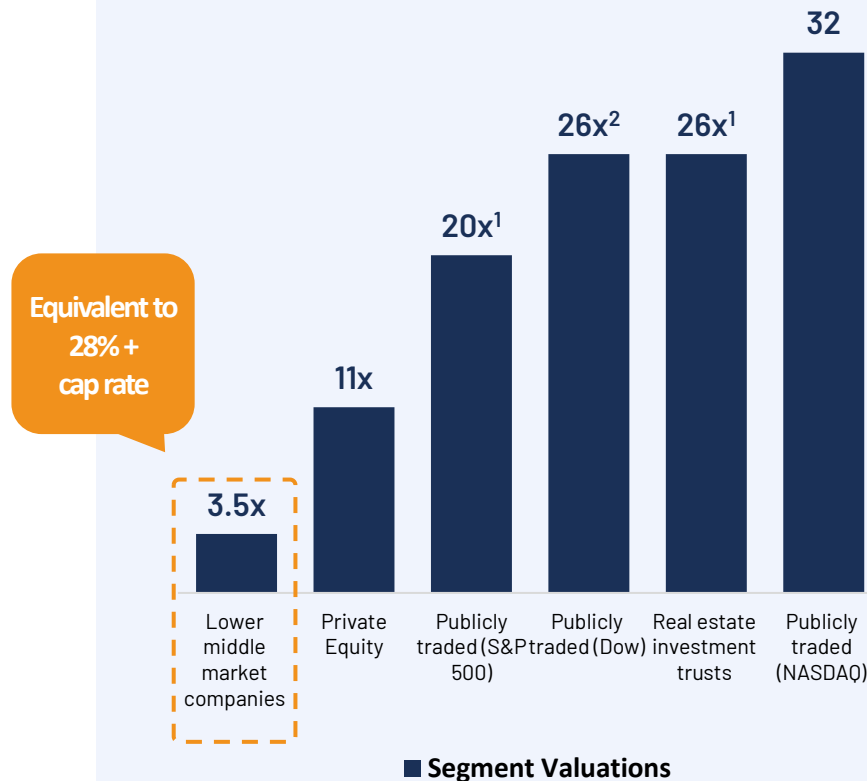


**\$10T**

in business value will change hands in the next decade<sup>1</sup>

Lower middle market companies present a unique opportunity to outperform due in part to purchase price multiples that are lower than real estate or public market valuations.

Significantly higher ROI can be realized in this underserved and decentralized market, where there's a gap between traditional small business funding, and larger institutional investors. **This is our universe.**



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# Introducing BLV Fund I



# Fund Highlights

Target Fund Size	\$25 million
Classes of Share	Class A – LP \$5MM minimum investment Class B – LP \$1MM minimum investment Class C – LP \$100K minimum investment
Preferred Return	10% Preferred return to all LPs
LP / GP Alignment re: “Splits”	Class A – 80/20 → 70/30 after initial capital is returned Class B – 80/20 → 65/35 after initial capital is returned Class C – 80/20 → 60/40 after initial capital is returned
Fees to Sponsor	2% Management Fee (on equity deployed) 1% Acquisition Fee (on purchase price of each portfolio company)
Portfolio Company Management Expense	Up To 2% of gross revenues of each portfolio company
Timing of Distributions	Quarterly Distributions 45 days post quarter close
Blueline Ventures Co-Investment	Minimum 4% of invested equity (\$1,000,000 on \$25,000,000 target fund size) Currently invested \$1,300,000 of ~8,000,000 raised or 16%
Fund Term	Projected 10 Year Hold Period
Legal Structure	BLV Fund 1 LLC (Delaware)

## Underwriting Assumptions:

- Nine companies acquired over three years at average of 4x multiple of EBITDA
- Two years of re-investment of 5% revenue in each portfolio company
- **5%** revenue growth after acquisition
- 20% EBITDA margin held constant
- Sold at average of **~4.5x** multiple of EBITDA in Year 10

### 10-Year Return Summary

**26.8%**      **5.04x**

10-Year  
Total IRR

10-Year  
MOIC

**\$100,000 invested is projected  
return \$503,685 over 10-year hold**

## UPSIDE SCENARIO RETURNS

data normalized to show \$100,000 investment

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Capital Invested	\$100,000	\$100,000	\$96,860	\$80,891	\$55,517	\$22,660	\$-	\$-	\$-	\$-
Return ON Capital	\$8,631	\$11,369	\$9,686	\$8,089	\$5,552	\$2,266	\$-	\$-	\$-	\$-
Return OF Capital	\$-	\$3,140	\$15,969	\$25,374	\$32,857	\$22,660	\$-	\$-	\$-	\$-
Equity Distribution	\$-	\$-	\$-	\$-	\$-	\$11,668	\$32,005	\$33,976	\$35,974	\$38,160
Cumulative Annual Cashflow	\$8,631	\$23,140	\$48,795	\$82,258	\$120,667	\$157,260	\$189,265	\$223,241	\$259,216	\$297,376
Profits From Sale	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$206,310
Annual ROI	8.60%	14.51%	26.49%	41.37%	69.18%	161.5%	Infinite	Infinite	Infinite	Infinite

Total ROI 504%

Total MOIC 5.04

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# Underwriting Assumptions:

- Nine companies acquired over three years at average of 4x multiple of EBITDA
- Two years of re-investment of 5% revenue in each portfolio company
- **0%** revenue growth after acquisition
- 20% EBITDA margin held constant
- Sold at average of **~4.0x** multiple of EBITDA in Year 10

## 10-Year Return Summary

20.7%  
10-Year  
Total IRR

3.16x  
10-Year MOIC

\$100,000 invested is projected to return \$315,999 over 10-year hold

# BASE CASE SCENARIO RETURNS

data normalized to show \$100,000 investment

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Capital Invested	\$100,000	\$100,000	\$96,044	\$81,102	\$59,418	\$33,384	\$7,744	\$-	\$-	\$-
Return ON Capital	\$8,721	\$11,279	\$9,604	\$8,110	\$5,942	\$3,338	\$774	\$-	\$-	\$-
Return OF Capital	\$-	\$3,956	\$14,942	\$21,684	\$26,034	\$25,640	\$7,744	\$-	\$-	\$-
Equity Distribution	\$-	\$-	\$-	\$-	\$-	\$-	\$13,377	\$18,721	\$18,440	\$18,299
Cumulative Annual Cashflow	\$8,721	\$23,956	\$48,502	\$78,296	\$110,273	\$139,251	\$161,147	\$179,868	\$198,308	\$216,607
Profits From Sale	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$99,392
Annual ROI	8.72%	15.23%	25.56%	36.96%	53.82%	86.80%	110%	Infinite	Infinite	Infinite

Total ROI 316%

Total MOIC 3.16

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## Underwriting Assumptions:

- Nine companies acquired over three years at average of 4x multiple of EBITDA
- Four years of re-investment of 5% of revenues in each portfolio company
- **-3%** average revenue growth after acquisition
- Bankruptcy of three portfolio companies in year three
- 20% EBITDA margin held constant
- Sold at average of **~3.5x** multiple of EBITDA in Year 10

### 10-Year Return Summary

**12.8%**      **2.23x**

10-Year  
Total IRR

10-Year  
MOIC

**\$100,000 invested is projected to  
return \$222,571 over 10-year hold**

## DOWNSIDE SCENARIO RETURNS

data normalized to show \$100,000 investment

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Capital Invested	\$100,000	\$100,000	\$98,432	\$94,271	\$90,411	\$82,872	\$71,985	\$57,826	\$46,866	\$36,259
Return ON Capital	\$8,060	\$11,940	\$9,843	\$9,427	\$9,041	\$8,287	\$7,199	\$5,783	\$4,687	\$3,626
Return OF Capital	\$-	\$1,568	\$4,160	\$3,860	\$7,539	\$10,887	\$14,159	\$10,960	\$10,606	\$11,078
Equity Distribution	0	0	0	0	0	0	0	0	0	0
Cumulative Annual Cashflow	\$8,060	\$21,568	\$35,572	\$48,859	\$65,439	\$84,614	\$105,971	\$122,714	\$138,007	\$152,711
Profits From Sale	0	0	0	0	0	0	0	0	0	\$69,860
Annual ROI	8.10%	13.51%	14.23%	14.09%	18.34%	23.14%	29.67%	28.95%	32.63%	40.55%

**Total ROI 223%**

**Total MOIC 2.23**

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# Key Underwriting Metrics

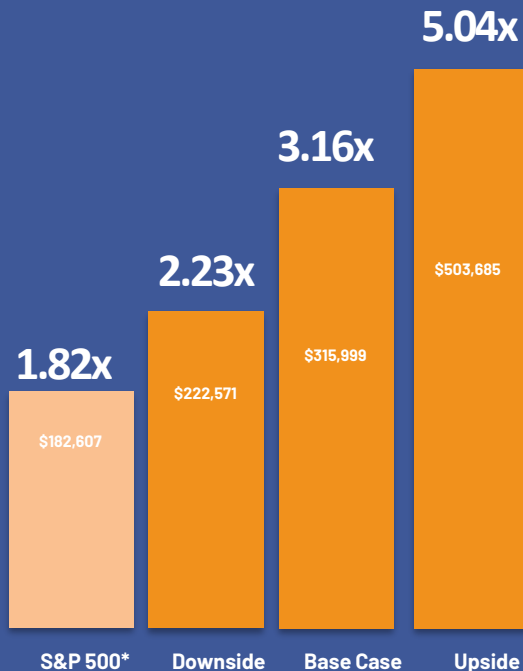
- **Cash Management:** minimum 2 months of working capital retained in each portfolio company after distributions
- **Speed of acquisitions:** model assumes three transactions a year in each of the first three years
- **Purchase Price Multiples / Valuation Multiples:** assumed 4x EBITDA purchase price multiples; approximately 4.5x EBITDA valuations upon sale
- **Debt:** returns assume 50% leverage @ 10% interest rate and 10 year term. Paid current P&I

• <https://dqyvj.com/sp-500-return-calculator/>

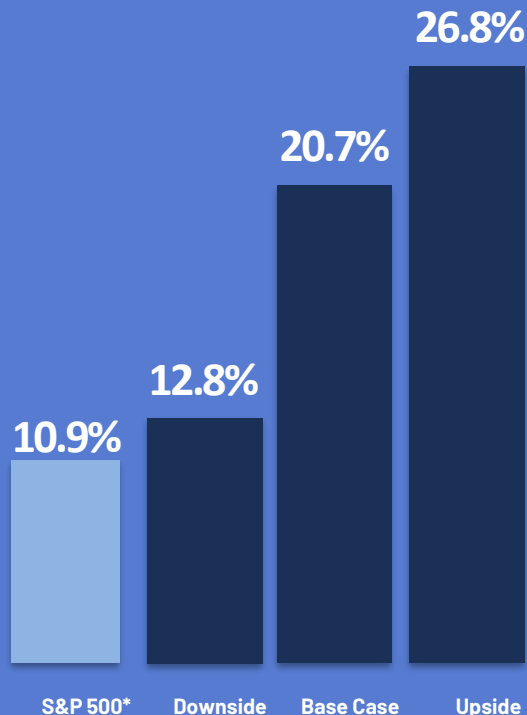
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## Value of \$100K Investment at Year 10



## Average Annual IRR over 10-Year hold



# How can we add value?

## Focus on People and Culture

- **Learn** the business
- **Build** rapport
- **Develop** a culture manifesto for each business
- **Hire** sophisticated talent to build out scalable processes



This is our Superpower

## Sales and Marketing

- **Identify** low hanging fruit with website and SEO.
- **Build** a strategic plan to expand relationships with current customers
- **Target** new customers with a market study and direct prospecting
- **Build** a direct sales force where necessary



Sales and Marketing is in our DNA

## Implement Technology

- **Learn** current customer workflows from customer acquisition to final billing
- **Transparency**—Identify key performance indicators/data we need to see to run the business.
- **Implement** technology to bring that data to "life"



Create Efficiency Through Technology

# What are we looking for?

For each deal, we begin the evaluation process by looking at 5 key areas:



This part of the approach by no means dictates our ultimate decision to make an offer on any given deal, but it does help us ensure the deals we are evaluating meet our high-level thesis.

# Fund I Acquisition #1



## COMPANY INFORMATION

**Company:** C&B Sign Services: Milford, OH

**Close Date:** July 2024

**Business Type:** Provides signage, lighting and other branding for gas stations and convenience stores in the Ohio, Kentucky, Indiana markets.



	2021	2022	2023	2024	2024 Underwriting
Revenue	\$2.0M	\$2.9M	\$3.3M	\$5.1M	\$3.5M
EBITDA	\$0.4M	\$0.7M	\$0.87M	\$1.8M	\$0.8M
EBITDA %	20%	23%	25%	35%	23%
Pur. Price				\$3.7M	
Pur. Price Multiple of EBITDA			4.25	2.09	4.58

## CURRENT PERFORMANCE

- Revenue in 2024 is 47% ahead of projections
- EBITDA in 2024 is 125% ahead of projections



# Fund I Acquisition #2

## Currently Under LOI

### COMPANY INFORMATION

- **Company:** Poly pipe (HDPE) Fusion Company: Texas
- **Estimated Close Date:** June 2025
- **Business Type:** Poly pipe fusing contractor primarily serving the oil and gas industry
- **Company Established:** 2011
- **3 Year Average EBITDA:** \$2,601,304
- **LOI Purchase Price:** \$12,931,523
- **Purchase Price Multiple on Avg. EBITDA:** 4.97x

### GROWTH POTENTIAL

- Expansion into additional industries including wastewater treatment, mining, and municipality work
- Implement sales and marketing to expand business (currently zero)
- Market is fragmented with small regional operators ripe for M&A
- Engaged poly pipe consultant to identify additional opportunities in the market for M&A and expansion



# Fund I Acquisition #3

## Currently Under LOI

### COMPANY INFORMATION

- **Company:** Structural Engineering Firm: Florida
- **Estimated Close Date:** August 2025
- **Business Type:** Structural engineering, design and analysis; Special and Threshold Inspections, Value Engineering, Construction Administration, Engineering Reports.
- **Company Established:** 2004
- **3 Year Average EBITDA:** \$1,697,000
- **LOI Purchase Price:** \$8,456,560
- **Purchase Price Multiple on Avg. EBITDA:** 4.98x

### GROWTH POTENTIAL

- Approximately 80% of revenue in 2023 was derived from repeat business.
- The Company relies on word-of-mouth and its social media platforms to gain new clients.
- There is currently no outbound sales or marketing



## Next Steps

# Fund 1 Now Open For Investment!



**SUBMIT  
INVESTMENT  
INTEREST**



**REVIEW  
DEAL ROOM**



**REVIEW DOCS  
AND COMPLETE  
VERIFICATION**



**WIRE FUNDS**

To get started, **[CLICK HERE](#)** or scan the QR code to learn more about BLV Fund 1 and connect with the Blueline team.



# Thank You.

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