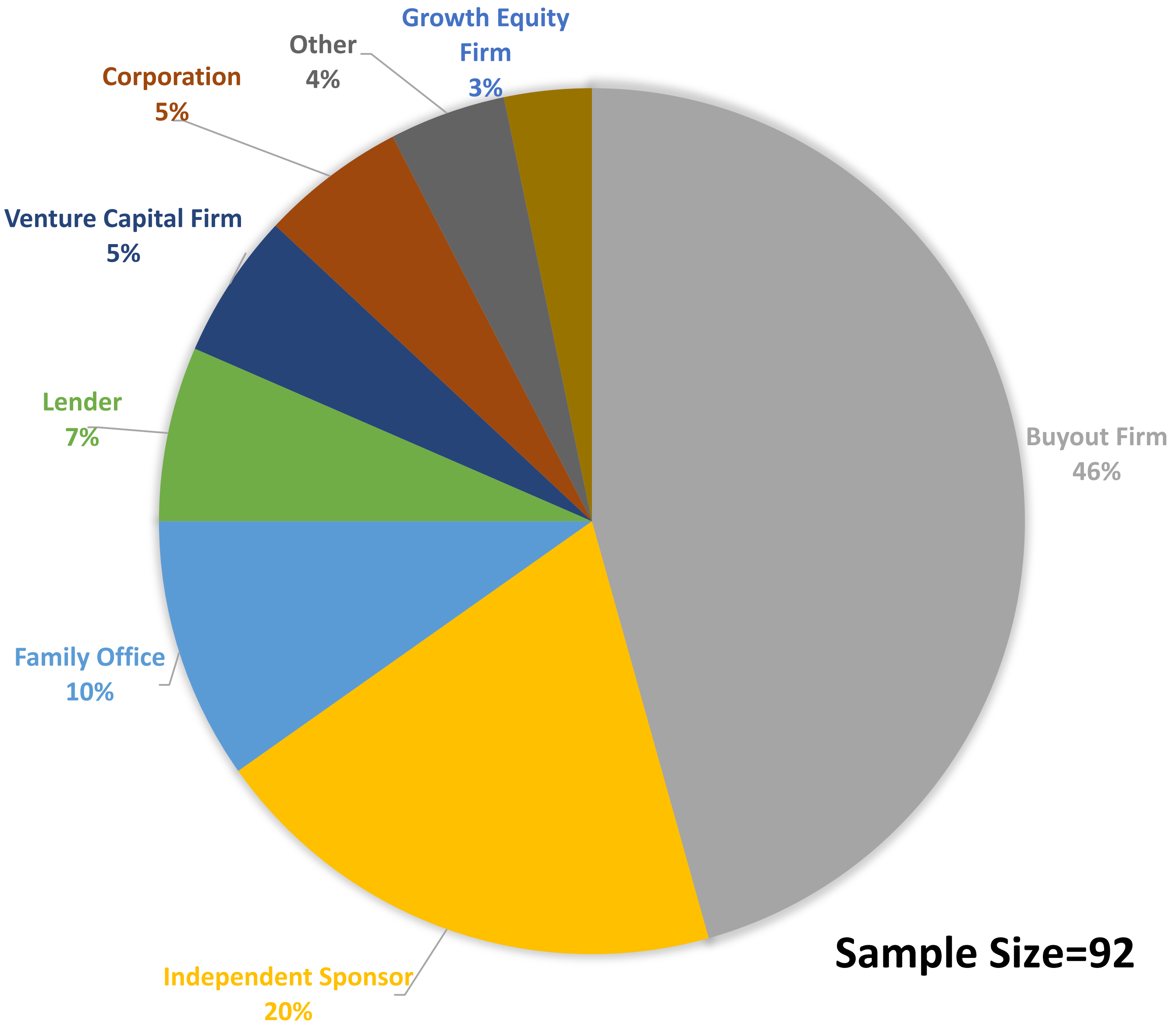
Deal Sourcing Survey 2023

SOURCESCRUB

Who Participated?



Sample Size=92

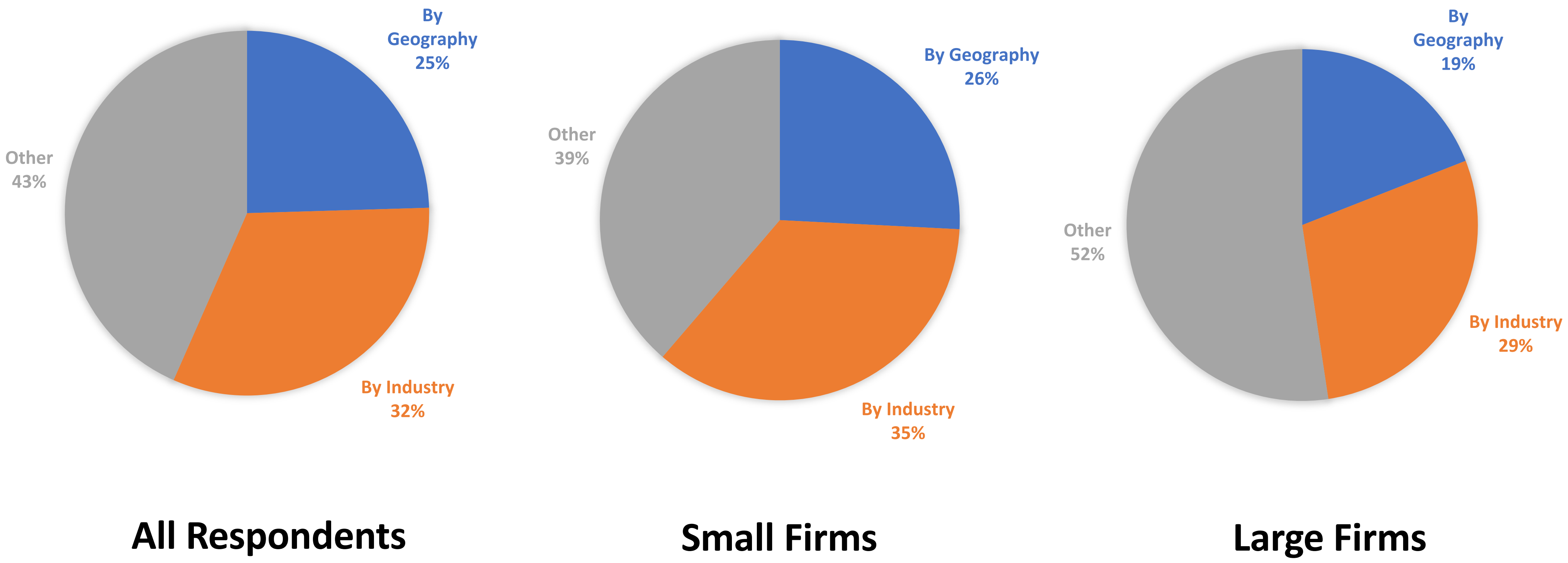
Who Participated?

All respondents (sample size=92)	Size of Latest Fund ($M)	Assets Under Management ($M)
Average	$562	$3,206
Median	$228	$500
Bottom Quartile	$71	$100
Top Quartile	$500	$1,175
Small Firms <$1 billion AUM (sample size=60)		
Average	$128	$219
Median	$100	$100
Bottom Quartile	$48	$56
Top Quartile	$200	$300
Large Firms $1 billion+ AUM (sample size=30)		
Average	$1,169	$7,522
Median	$575	$2,000
Bottom Quartile	$415	$1,000
Top Quartile	$1,500	$5,500

How many people at your firm are dedicated full time to deal origination?

All respondents (sample size=92)	
Average	2
Median	1
Bottom Quartile	0
Top Quartile	2
Small Firms <$1 billion AUM (sample size=60)	
Average	2
Median	1
Bottom Quartile	0
Top Quartile	2
Large Firms $1 billion+ AUM (sample size=30)	
Average	2
Median	2
Bottom Quartile	0
Top Quartile	3

How do you organize your origination team?



How important are each of the following activities to your deal sourcing efforts? (1-5, with 5 most important)

All respondents	Emailing, calling, meeting business owners	Emailing, calling, meeting intermediaries	CRM/deal sourcing platform	Attending conferences	Writing white papers/blogs	Creating podcasts/videos	Social media
Average	4	4	3	3	2	1	2
Median	4	4	3	3	1	1	1
Bottom Quartile	3	3	2	2	1	1	1
Top Quartile	5	5	4	4	2	1	3
Small Firms <$1 billion AUM							
Average	4	4	3	3	2	1	2
Median	4	4	3	3	1	1	1
Bottom Quartile	3	3	2	2	1	1	1
Top Quartile	5	5	4	4	2	1	3
Large Firms $1 billion+ AUM							
Average	4	4	3	3	2	1	2
Median	4	5	3	3	1	1	1
Bottom Quartile	3	3	1	2	1	1	1
Top Quartile	5	5	4	4	2	1	3

What CRM/deal sourcing tools do you use?

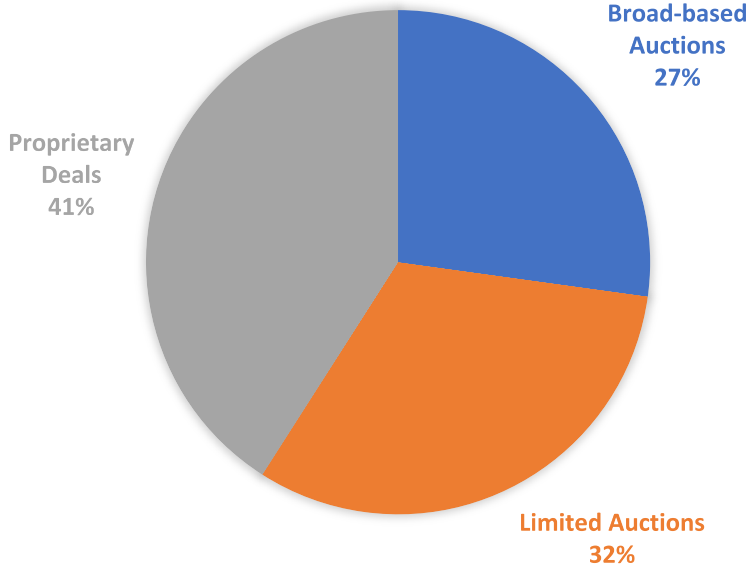
	Affinity	Altvia	Cyndx	Grata	DealCloud	Intralinks	Microsoft Dynamics	Microsoft Excel	Navatar	Salesforce	SAP	Sutton Place Strategies	SourceScrub	Zap-flow
All respondents	4%	1%	1%	8%	32%	8%	8%	43%	3%	21%	3%	11%	14%	1%
Small Firms <$1 billion AUM	7%	2%	2%	8%	27%	8%	3%	42%	2%	15%	0%	7%	13%	2%
Large Firms >$1 billion AUM	0%	0%	0%	7%	43%	7%	13%	50%	3%	33%	7%	20%	17%	0%

Note: Respondents could pick more than one answer

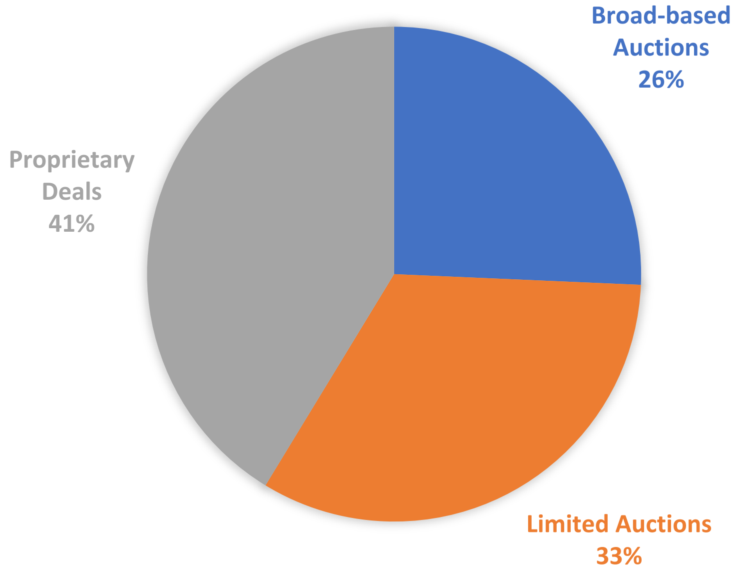
How valuable are the following sources of deal flow?
(1-5, with 5 most valuable)

All respondents	Account-ants	Attorneys	Buyside intermediaries	Company owners	Corporations	Independent sponsors	Fund sponsors	Sell-side intermediaries	SPACs
Average	2	2	3	4	2	2	2	4	1
Median	2	2	3	4	2	2	2	5	1
Bottom Quartile	1	1	2	3	1	1	1	3	1
Top Quartile	3	3	4	5	3	4	4	5	1
Small Firms <$1 billion AUM									
Average	2	3	3	4	3	2	2	4	1
Median	2	2	3	4	2	2	2	5	1
Bottom Quartile	1	1	2	3	1	1	1	3	1
Top Quartile	3	3	3	5	4	4	3	5	1
Large Firms $1 billion+ AUM									
Average	2	3	4	4	2	3	3	4	1
Median	2	2	3	4	2	2	2	5	1
Bottom Quartile	1	1	3	3	1	1	1	3	1
Top Quartile	4	4	5	5	3	4	4	5	1

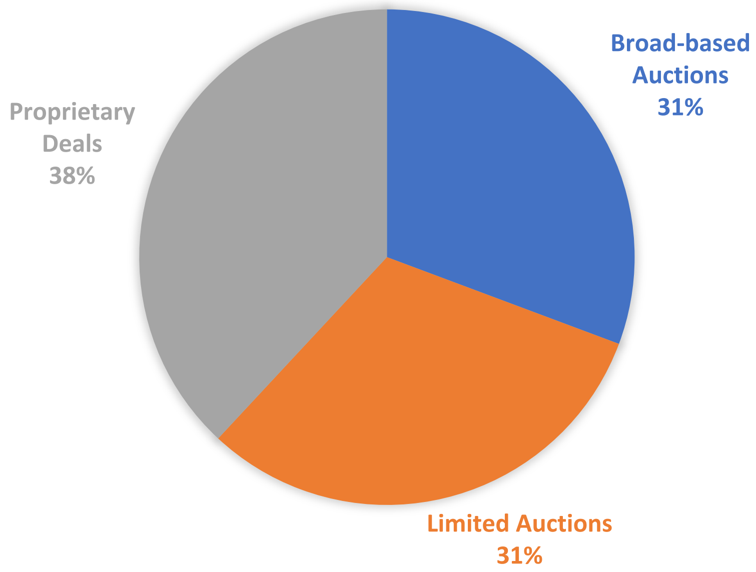
How would you categorize your consummated deals?



All Respondents



Small Firms



Large Firms

Note: Individual responses were not weighted by deal volume; percentages should be considered rough estimates

Deal Flow Statistics

All respondents	Deals/Teasers Logged Per Year	Offering Memos Reviewed/Year	LOIs Submitted/Year	2022 Platforms Acquired	2023 Platforms Anticipated	2022 Add-ons Made	2023 Add-ons Anticipated
Average	608	258	26	2	3	7	7
Median	425	138	10	1	2	2	2
Bottom Quartile	100	50	5	0	1	0	1
Top Quartile	925	400	20	3	3	5	5
Small Firms <$1 billion AUM (sample size=60)							
Average	525	238	25	1	2	2	2
Median	300	100	10	1	2	0	1
Bottom Quartile	100	34	5	0	1	0	1
Top Quartile	825	400	15	1	2	2	3
Large Firms $1 billion+ AUM (sample size=30)							
Average	798	316	30	4	4	17	17
Median	500	160	20	2	3	7	5
Bottom Quartile	230	100	10	1	2	3	3
Top Quartile	1050	488	48	5	4	22	24

On the Road

All respondents	During a non-pandemic year, what percent of time do you travel?	During a non-pandemic year, how many conferences do you attend?
Average	31%	6
Median	30%	4
Bottom Quartile	15%	2
Top Quartile	40%	8
Small Firms <$1 billion AUM		
Average	27%	5
Median	25%	4
Bottom Quartile	15%	2
Top Quartile	35%	7
Large Firms >$1 billion AUM		
Average	39%	7
Median	38%	6
Bottom Quartile	25%	3
Top Quartile	50%	10

What conferences do you attend?

	BlackmoreConnects	Industrial Exchange (IndEx)	ACG Intergrowth	Local ACG events	Local XPX events	Opus Connect	SuperReturn	Northstar PE Heavy Hitters
All respondents	3%	1%	39%	51%	1%	17%	4%	17%
Small firms<$1 billion AUM	5%	2%	30%	50%	2%	13%	2%	8%
Large firms>$1 billion+ AUM	3%	0%	57%	57%	3%	27%	10%	37%

What associations are you active in?

	ACG	American Bankruptcy Institute	American Investment Council	ILPA	National Association of Investment Companies	SBIA	Turnaround Management Association	XPX
All respondents	57%	1%	1%	3%	2%	8%	5%	1%
Small firms	47%	0%	0%	3%	2%	5%	5%	0%
Large firms	80%	3%	3%	3%	3%	13%	7%	3%