

DHR International
CASE STUDY

Clean Technology Chief Executive Officer

CLIENT:

Headquartered in Louisville, Kentucky, CRS Reprocessing, LLC is a portfolio company of Argosy Capital (www.argosycapital.com) and Capital Solutions, Inc. (www.cap-sol.com), two Pennsylvania Funds who together have about \$1B under management. CRS was a low-to-mid \$8-figure captive business of BP plc at the time of its Private Equity acquisition in early 2008. Despite the economy it has since grown by approximately 40% and continues to be a very profitable business. The company's principal business is reprocessing slurry utilized in the manufacture of silicon wafers. Competition comes chiefly from two independent European companies, from solar and semiconductor fabs that outsource reprocessing (whether by design or due to excess capacity), and a number of new companies in China. CRS's business has continued to grow at a rapid rate even in this economy, which is attributable in part to capable execution by CRS, as well as the widely held view by the addressable industry that *not* reprocessing is economically imprudent.

CHALLENGE:

The challenge for this search was to find a leader from an adjacent space who was marketing oriented, financially savvy and very comfortable with technology. This person could continue to lead the company on its rapid growth trajectory even after most tasks and business development activities related to low-hanging fruit were accomplished and the economy continued to flounder. S/he would have the track record of growing profitable new lines of business and be capable of preparing the company for a very successful exit down the road.

This called for a leader from a related technology company up to 2-3 times as large as our client (but not larger), and ideally an entrepreneur who also was known by Wall Street. S/he must be skilled at raising debt and equity; adept at winning customer business and negotiating long-term contracts; experienced in introducing best-in-class business and manufacturing processes (CRS operates at customer sites, therefore every site is a profit center); very familiar with Asia; and a proven track record of growing organizations and successfully motivating staff, including co-founders.

RESULT:

From the client point of view, this meant that the selected candidate would need to meet most all the above criteria, but also be a sitting CEO (or a very recently, successfully-exited CEO). In either case, prior Private Equity experience was also preferred. Given the parameters for the Search and a very difficult location far from our target industries, a very wide net was cast. In addition to our successful candidate, two other candidates introduced to our client are now CEOs of other companies, one of a larger Private Equity-sponsored company in the technology space and the other of a solar company 2 ½ times our client's size. A third candidate who elected not to proceed is now President of a well-known advanced materials company. Our successful candidate was formerly CEO of a solar module manufacturing company and EVP and General Manager of a photovoltaic and fiber optics company. Our successful candidate possessed virtually the entire skill set and experience called for by our Private Equity clients, and for family reasons was very attracted by the out-of-the-way location.

INDUSTRY TYPE:

Private Equity

FUNCTIONAL AREA:

CEO

LOCATION:

Louisville, KY

CONTACT:

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