

## GROWTH STRATEGIES FROM NO. 5 **Craig Wolfanger - Raptor Partners LLC**



### For Raptor, mergers and acquisitions include finding the best fit for clients

BY PATTY TASCARELLA

Craig Wolfanger built his career as an investment banker on Wall Street, then at PNC Financial Services Group Inc. and what is now regional investment firm Janney Montgomery Scott LLC.

In 2005, he struck out on his own to launch Raptor Partners LLC, a six-employee boutique investment banking firm that advises buyers and sellers of companies.

Wolfanger's timing was right on the money.

Mergers and acquisitions across the country hit record levels through mid-2007, and Raptor's orbit of deals in the \$15 million to \$500 million range is below the size level currently hobbled by the credit crunch. Also, some business sectors have contained good opportunities to sell: "Health care and metals are bucking the trends," Wolfanger said.

But Wolfanger's people skills may be just as important when it comes to growing business.

Though his transactions aren't limited to Pittsburgh-area companies, Wolfanger's success at building relationships with companies such as Respironics Inc. and Matthews International Corp. has resulted in repeat business.

"We'll talk with some clients for three to five years to build rapport before we do a deal," Wolfanger said.

As a result, Raptor has seen sales grow 395 percent over the past three years, with no slowdown due to the economic slump.

"The way we've grown is to make sure we do the best possible work for our clients by giving them the right advice for the circumstances," he said. "That isn't always what they want to hear."



Joe Wojcik

**Craig Wolfanger advises buyers and sellers of companies as president and CEO of Raptor Partners LLC. He says sometimes he has to tell clients things they don't want to hear, especially if he thinks a deal isn't a good match.**

**TIP FROM THE TOP:**  
Dig deep — and distill.

Other deal makers cite credibility as a Raptor advantage.

"One of the greatest strengths Craig brings is an ability to guide the client with

realistic expectations," said Francis Muracca, a partner in the law firm Jones Day's Pittsburgh office who specializes in mergers and acquisitions. Muracca said Raptor "adds cachet" to the Pittsburgh region's dealmaking sector — no small feat when the alternative is to turn to specialists in New York and Boston.

"Craig can deliver," said Richard Stover, managing principal of Wexford-based private equity firm Birchmere Capital.

Bringing would-be sellers back to earth

with the news their business is worth less than they'd like isn't easy.

"It's hard to tell people the truth," Wolfanger said. "But we're not consultants. We can't mirror what they want to hear. Our business is dictated by the marketplace.

"Acquisitions are sometimes the most important element in a business life or career, and the larger the company is, the more they do. But if they don't go well, even a small transaction can have an adverse impact if it isn't the right value, structure or integration plan."

While Raptor has completed close to 30 transactions, it also has gotten clients to walk away from twice as many deals,

sometimes pulling the plug at the 11th hour. As far as Wolfanger's concerned, finding the best fit for clients is a crucial part of Raptor's skills and it's far better for a match to not happen than wind up a bad marriage.

Possibly the toughest thing about transactions is striking a balance not just between buyers and acquirers but between personality types — editing compulsive researchers and restraining aggressive actors.

"So often you get people who dig into every little detail and don't know what to do with the data, and they don't do the transactions they should have because they're mired in minutia," Wolfanger said. "Then you get the swashbuckling guys who don't

get into details, and their deals are unsuccessful in terms of planning and integrity. So the key is to dig deep — and distill."

Wolfanger wants Raptor to grow, but not by too much.

"I'd like to see us do 20 deals a year," he said, and believes it's reachable within the next five years. "But in terms of the number of people, if we get beyond 15 or 20 principals, we'll lose some of this closeness to our clients, and we don't want to do that. I have the greatest job — I get to see so many different industries and work with different people, and Raptor's role is to bring them together."

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