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Association News

IVCA Awards Dinner Honors Success

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On December 5th, 2011, IVCA hosted the 2011 Annual Awards Dinner presented by Kirkland & Ellis LLP. Recognition this year went to: Portfolio Company success stories [Accretive Health](#) and [Great Kitchens](#) and industry veterans [Brian Simmons](#) and [Scott Meadow](#). IVCA also announced that SPSS, Inc. joins [Archipelago Holdings, Inc.](#), [Bakery Chef, Inc.](#), [CCC Information Services, Inc.](#), [DeVry, Inc.](#) and [Levy Restaurants](#) in the IVCA Portfolio Company Hall of Fame.

Over 450 attendees jammed the Four Seasons Chicago ballroom for the Tenth Annual event which has been supported by Kirkland & Ellis every year. Emceed by IVCA Vice-Chair Darren Snyder of Prairie Capital, the event included a cocktail party, dinner and awards ceremony with an update on IVCA's activities by IVCA Chairman Jim TenBroek of Wind Point Partners. As has historically been true, the evening moved along crisply and ended, as planned, just before 8:30 PM. A large crowd of people stayed and mingled at the dessert reception held immediately after the awards presentation.

David Golder presented the Stanley C. Golder medal, which is named for his father, to Brian P. Simmons, of CHS Capital. The Golder Award acknowledges individuals who have made profound and lasting contributions to the private equity industry in Illinois. Founded in 1988 as Code Hennessy & Simmons LLC, CHS has formed five private equity funds and has \$2.5 billion of committed capital in active investment funds. Brian described how meaningful the award, named for a private equity pioneer, was especially meaningful to him. Brian counted Stan Golder as a friend and one of his important mentors in the industry.

The Richard J. Daley Medal was presented to Scott F. Meadow by David Tolmie of The Edgewater Funds. Dave and Scott attended business school together 30 years ago and remain close friends. The Daley Medal acknowledges a single individual who has given direct and extraordinary support to the State of Illinois by participating in or being an advocate for the venture capital and private equity industry. Scott is a very accomplished and recognized clinical professor at the University of Chicago's Booth School of Business where he has taught over 7,000 students in courses which include: Entrepreneurial Finance and Private Equity, Commercializing Innovation (which he created), the New Venture Challenge. Scott is also the faculty advisor for the Venture Capital Investment Competition.

The 2011 Venture Portfolio Company of the Year was presented to Mary Tolan, CEO and Founder of Accretive Health (AH) by Professor Steve Kaplan of University of Chicago's Booth School of Business. Steve serves on Accretive Health's board. Mary described how Accretive Health was founded in 2003 to provide improvements in revenue cycle outcomes for services offered by hospitals. Accretive has been able to improve collections by up to 200 basis points; very meaningful in an industry with margins of 4%. Interestingly, neither Mary nor much of her management team emerged from a healthcare background. Accretive's experience has been that fresh eyes can often solve problems that insiders either don't see or can't address. From a raw start-up in late 2003, AH has reached a projected contracted annual revenue run rate (as of June 30, 2011) of over \$800 million. Accretive Health went public in 2010 and has experienced 80% earnings growth in 2010 and YTD 2011. Almost all of the growth has been organic. Employees have grown to almost 2,000 full-time employees (as of December 31, 2010). AH also manages approximately 8,200 revenue cycle staff persons who are employed by customers. As a result of this growth, AH has a

market cap of roughly \$2.3 billion (as of December 7, 2011).

The 2011 Buyout Portfolio Company of the Year was presented to Great Kitchens' former CEO Dennis Malchow by attorney Saul Rudo who nominated the company for the award. Dennis gratefully accepted the award and shared some of his experiences while at the "take and bake" pizza manufacturer. Dennis recounted that within 3 months of Arbor Investments' purchase of Great Kitchens the company lost its one customer. Fortunately the team was able to replace that customer and Great Kitchens is now the largest take-and-bake pizza manufacturer in the United States. Under Arbor's ownership, revenue and EBITDA grew four-fold and eight-fold, respectively. In June of 2010, Arbor sold Great Kitchens generating an IRR of 69% and cash-on-cash return of 17 times the original investment.

Sponsorships are available for the 2012 IVCA Awards Dinner which will be held on December 3, 2012 at 5:00 PM. . Table locations are based on the date sponsorship request is received so contact Kathy Pyne to reserve your 2012 spot today!