

# Domestic Private Equity Fund Commitment

## Catterton Growth Partners, L.P.

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Private Markets and Real Estate

## **Catterton Growth Partners, L.P.**

### Overview

- Fund size is \$300 million
- Invest in small-cap consumer growth companies which require \$10 million to \$30 million of equity capital
- Primarily invest in North American companies

### Fund Strategy

- Control oriented investments in small-cap consumer growth companies with proven business models
- Target industries for investment include consumer branded products, retail and restaurants, food and beverage, and marketing and consumer services
- Pennsylvania Presence – Catterton does not currently have a PA presence; however several of their portfolio companies sell their products in PA retail stores.

# Representative Catterton investments by “vertical”

Food and Beverage

Retail & Restaurant

Consumer &  
Marketing Services

Consumer Brands



Leading Non-Chocolate  
Confectionary Brands



“Classic-American”  
Restaurant Chain



Computer and Electronics Recovery,  
Refurbishing and Remarketing



Towable Recreational  
Vehicles



Premium Natural Snacks



Specialty Retailer Selling Toys  
And “Plush”



Online Marketing Services  
And Lead Generation



Premium Natural Pet  
Food



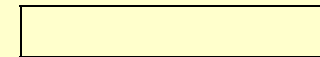
Leading Natural Fresh Juice  
Company



Casual Dining Chinese  
Restaurants



Place-based Media  
Program Operator



Women's Luxury Apparel



Super Regional Branded  
Cookie and Snacks



Quick Casual “Fresh”  
Mexican Chain



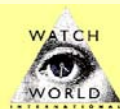
Outdoor Media / Billboard



Premium Salon and Hair  
Hair Care Products



All Natural Frozen  
Breakfast Products



Specialty Retailer  
For Watches



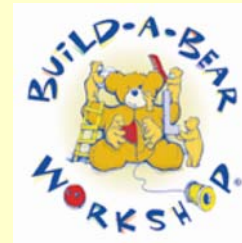
Alarm Monitoring



Consolidation/Roll-up  
Of OTC Pharmaceuticals

# Record of success with small cap growth companies

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## **Catterton Growth Partners, L.P.**

### Investment Team

- A separate and dedicated team lead by Michael J. Farello and Frank M. Vest, Jr.
- The team of 10 partners, 12 investment professionals and a group of senior advisors are dedicated to supporting portfolio company investments.

### GP “Value Add”

- Catterton’s control strategy will impact strategic planning, recruiting and retaining key management, and enhance operating performance.
- Equally important is their ability to identify and execute synergistic acquisitions and select the appropriate exit strategy for each portfolio company.

### Performance

- Total Prior Funds’ Realized Gross IRR is 26%; Unrealized Gross IRR is 15% for a Total Return of 23%.

## **Catterton Growth Partners, L.P**

### Market Opportunity

- Staff values the depth of the team, and the affiliation with Catterton Partners.
- Catterton gives PSERS additional exposure to the lower-middle market in the Fund's target industries.

### History with PSERS

- This is PSERS third fund with Catterton Partners. Prior funds included Catterton Partners V & VI.

### Recommendation

- Staff, together with Portfolio Advisors, recommends a commitment of \$75 million. (Fund target is \$300 million)