

Charter Oak Equity Transforms Their Market Intelligence with udu

Charter Oak Equity is a lower middle market private equity firm that focuses on niche manufacturing, packaging, medical products & services, specialty chemicals, consumer products and financial services companies up to \$150 million in enterprise value.



CHALLENGE

Charter Oak Equity wanted to gain a deeper, more comprehensive view into the market landscape of their portfolio company, estimating there were 20+ companies nationwide that would represent strong potential add-on acquisition targets.

“It can be hard to parse all the noise that’s out there when doing a general search,” explained Doni Perl, Principal at Charter Oak. “These tend to be small companies with highly technical specifications that make them attractive, or not”. The level of specificity around potential targets’ technical capabilities made using traditional tools and databases difficult, if not impossible to use for narrowing down potential targets.

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Doni Perl, Principal | Charter Oak Equity



CHARTER OAK EQUITY

Case Study | July 2022



SOLUTION

In 2019, udu launched an online platform that streamlined the search and identification of deal opportunities for private equity firms. udu combs through 1000s of data sources for relevant data to your search, which is then compiled, structured and scored exactly to your preferences by learning from your feedback.

After an initial demo, Charter Oak started a pilot test of the platform, working with our engineers to define the perfect add-on company and giving udu samples of good and bad match characteristics. An engineer from udu conducted the initial search and gathered feedback from Charter Oak that udu used to refine discovery as well as scoring. Over the course of three iterations and a week's time, udu had captured 95 unique companies that fit Charter Oak's tightest parameters and another 60 that featured overlapping characteristics.

19 MANUAL TARGETS **vs.** **95** A.I. IDENTIFIED TARGETS



RESULT

The result is a list that looks like it was painstakingly put together by hand, only much more effective. In fact, working in a parallel path using purchased lists, Charter Oak uncovered only 19 of the 95 names that udu turned up, giving udu an 80% "fresh idea" score within the exact target alone.

Additionally, the search process returned another 29 names representing interesting partner and customer prospect opportunities, if not potential add-ons. "udu produced a list of leads that our team could not have identified, screened and catalogued in any reasonable amount of time," Charter Oak's Perl said. "Based on the success of the pilot test, we decided to roll this tool out to all of our deal teams and portfolio companies. We recognize the value udu adds to otherwise daunting tasks involving parsing and organizing data, particularly where the benefit from overcoming those challenges can be immense."