



**For Immediate Release**

## ***ConJoin Says NVCA Recommendations ‘Not Enough’ to Restore IPO Market***

### ***Financial Crisis Has Created Fundamental Shift in Venture Capital Model***

**Boston/Toronto/Mumbai, India** – May 7, 2009 – ConJoin Group, LLC, a management consulting firm specializing in helping private equity and venture capital firms transform underperforming assets, responded today to recommendations to restore the Initial Public Offering (IPO) market made by the National Venture Capital Association (NVCA) at its annual meeting in Boston last week.

Although the NVCA's remarks are geared toward creating a long term path to liquidity via IPOs or M&A mechanisms, the ConJoin Group believes that a fundamental shift in the funding of venture-backed companies has occurred. This leaves companies with a shorter window to reach profitability, and a fundamentally changed reception to IPO issues from the public markets. There are a number of tactics companies can employ today to optimize the current status of their business by leveraging integrated capabilities to affect top/bottom line drivers.

The recommendations from the NVCA focus on broad policy shifts such as tax issues, regulatory issues and other hindrances of small cap companies to reaching public markets. While these may be good long term tactics, ConJoin Group believes that the venture capital and private equity industry can drive impact to valuation today by focusing their attention on the operational performance of their struggling portfolio companies. Much as the credit crisis has fundamentally changed the banking industry, a fundamental shift must now take place for venture capital and private equity firms, as they seek a shorter timeline to profitability and leaner, more efficient portfolio companies.

The ConJoin Group believes that action can be taken toward improving the operational performance of an organization which can move some companies closer to a liquidity event in the future and allow others to survive the economic turbulence. This approach also provides a clear path to increasing enterprise value, and reducing dependence on ongoing funding for many venture and private equity backed enterprises.

“In spite of the broader economic challenges, there are a number of immediate measures that venture and private equity backed companies can take in the short-term to improve their valuation leading up to a liquidity event,” said Richard S. Garnick, chairman and CEO of ConJoin Group. “Rather than waiting for government and financial institutions to step in and the IPO market to re-energize, it is essential that underperforming companies take decisive action to improve their situation.”

In its annual meeting, the NVCA also noted that venture-backed public companies are critical to U.S. economic growth. Citing a report to be released in May by Global Insight, it estimates that in 2008, public companies that were once venture backed accounted for more than 12 million U.S. jobs and \$2.9 trillion in revenues, or 21 percent of U.S. GDP. Global Insight estimates that 92 percent of job growth at these companies occurs once the company enters the public markets.

“In order to create jobs in our new economic reality, it is essential that money-losing enterprises streamline their operations through strategic business process outsourcing and reorganization,” added Mr. Garnick. “ConJoin was founded on the belief that the industry needs an alternative model that brings

together a convergence of capabilities, including global sourcing, fresh leadership and business transformation services along with capital, to help streamline a company's operations.”

### **About ConJoin Group, LLC**

ConJoin Group, LLC helps companies transform “stranded assets” to realize demonstrable and accelerating value. The ConJoin model is based on improving a business's overall performance in an accelerated way by facilitating a true transformation of the business, utilizing vision creation, transformational leadership and experienced interim management, along with cost optimization to make a rapid positive impact. This is a notable difference from earlier generations of BPO providers who were primarily focused on large-scale replacement of repetitive tasks with limited value-add beyond cost reduction. ConJoin serves markets not generally supported by existing global outsourcers, especially mid-market corporations considered too small by these global players.

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