

Investment Management Group

Fall 2022 Info Session



NORTHWESTERN
UNIVERSITY

Tonight's Agenda

- Club Overview
- Sample Pitch
- Small Group Q&A
 - Recruitment Process
 - First-Year Experience
 - Professional Development
 - Diversity and Inclusion

What do we do as a Club?

We exist to make investors out of students who are willing to work hard and are eager to learn.

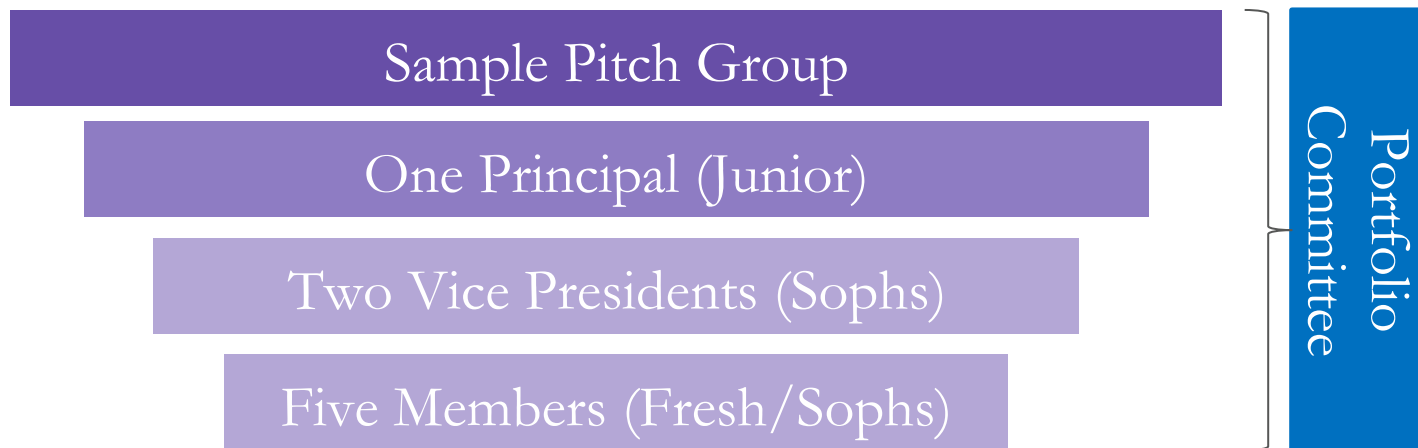
To this end, we spend each quarter understanding businesses with the aim to buy and sell securities for our portfolio.

Our core areas of research include:

- **Industry Research** (2 weeks): Understand the industry's dynamics and articulate our outlook on the space
- **Company Research** (4 weeks): Understand its competitive advantage, management, and operating profile; articulate our thesis on the business
- **Valuation & Presentation** (2 weeks): Build a dynamic model in excel to assess the value of the business, and present final conclusions to the club

How are we organized?

- We organize our members into six different pitch groups, each tasked with finding, researching, and valuing one company over the quarter
- Each pitch group is run by a Principal who has both mentoring and pitching responsibilities; two Vice Presidents lead the research process by working with members
 - Group structures designed in order to encourage lean teams (resulting in quick learning experiences) as well as opportunities for leadership positions.
- Our Club-wide Thursday meetings feature presentations from pitch groups



Our Training Program

Investing requires two core skillsets:

- (1) Qualitative understanding of the asset / company
- (2) Quantitative ability to forecast future performance

We believe that pitch groups best facilitate the learning of the bucket (1) skillset

We have designed a case-based training program in excel to cover the bucket (2) skillset from our prior experience working at world-class investment banks and private equity firms.

Fin Comp Firm		Case: KCM Base Case													CAGR / Δ bps	
Operating Model		Estimated														
(All figures in \$000's unless otherwise noted)		2015A	2016A	Actuals			2020A	2021B	2022E	2023E	2024E	2025E	2026E	'15A-'20A	'21A-'26E	
S'moresCo																
S'mores Sold		1,000	1,100	1,210	1,331	1,398	1,467	1,541	1,618	1,699	1,784	1,873	1,966	8.0%	5.0%	
Average S'more Price		2.00	2.04	2.08	2.12	2.32	3.28	3.32	3.66	3.80	3.92	4.11	4.28	11.1%	4.0%	
S'More Revenue		2,000	2,244	2,518	2,825	4,542	4,959	5,416	5,914	6,458	7,052	7,701	8,410	19.9%	9.2%	
% Growth																
S'mores Sold			10.0%	10.0%	10.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%			
Average S'more Price			2.0%	2.0%	2.0%	52.7%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%			
S'More Revenue			12.2%	12.2%	12.2%	66.8%	9.2%	9.2%	9.2%	9.2%	9.2%	9.2%	9.2%			
Crackers		(600)	(667)	(741)	(823)	(872)	(924)	(980)	(1,040)	(1,103)	(1,169)	(1,240)	(1,315)	9.0%	6.1%	
Chocolate		(500)	(583)	(678)	(785)	(866)	(954)	(1,041)	(1,126)	(1,206)	(1,292)	(1,384)	(1,482)	13.8%	7.3%	
Marshmallow		(750)	(842)	(944)	(1,058)	(1,132)	(1,211)	(1,296)	(1,389)	(1,487)	(1,593)	(1,706)	(1,827)	10.0%	7.1%	
Special Sauce		-	-	-	-	(629)	(721)	(773)	(827)	(886)	(949)	(1,016)	(1,086)	N/A	7.1%	
S'More Direct Cost		(1,850)	(2,091)	(2,362)	(2,666)	(3,499)	(3,762)	(4,040)	(4,327)	(4,623)	(4,940)	(5,278)	(5,640)	15.3%	6.9%	
Pieces per S'more																
Crackers		2	2	2	2	2	2	2	2	2	2	2	2	-	-	
Chocolate		1	1	1	1	1	1	1	1	1	1	1	1	-	-	
Marshmallow		1	1	1	1	1	1	1	1	1	1	1	1	-	-	
Special Sauce		-	-	-	-	1	1	1	1	1	1	1	1	N/A	-	
Total Pieces		4	4	4	4	5	5	5	5	5	5	5	5	4.6%	-	
Cost per Piece																
Crackers		(0.30)	(0.30)	(0.31)	(0.31)	(0.31)	(0.32)	(0.32)	(0.32)	(0.32)	(0.33)	(0.33)	(0.33)	1.0%	1.0%	
Chocolate		(0.50)	(0.53)	(0.56)	(0.59)	(0.62)	(0.65)	(0.68)	(0.70)	(0.71)	(0.72)	(0.74)	(0.75)	5.4%	2.2%	
Marshmallow		(0.75)	(0.77)	(0.78)	(0.80)	(0.81)	(0.83)	(0.84)	(0.86)	(0.86)	(0.89)	(0.91)	(0.93)	1.9%	2.0%	
Special Sauce		N/A	N/A	N/A	N/A	(0.45)	(0.46)	(0.47)	(0.48)	(0.49)	(0.50)	(0.51)	(0.52)	N/A	2.0%	
Total Pieces		(0.46)	(0.48)	(0.49)	(0.50)	(0.50)	(0.51)	(0.52)	(0.53)	(0.54)	(0.55)	(0.56)	(0.57)	2.1%	1.8%	

The IMG Difference

Quarterly Pitches

- Long-term thinking
- Constant feedback
- Real-world simulation

Close-Knit Culture

- Dedicated mentorship
- Club Presidents know you

Unmatched Education

- Excel-based training
- Not offered in NU coursework
- Stock Competition 1st Places

Powerful Network

- ~100% Placement into the Investment Banking Club (<40% Acceptance Rate)
- Alumni placement at top firms

Our Outcomes



Morgan Stanley

J.P.Morgan



CREDIT SUISSE

BANK OF AMERICA



Deutsche Bank



MOELIS & COMPANY

EVERCORE

LAZARD

William Blair



ARES



McKinsey & Company



CITADEL

facebook

amazon

Google

Class of 2022 Placement

Amazon – Financial Operations
Analysis Group – Management Consulting
Ares – Credit
Blackstone – Tactical Opportunities
BDT – Merchant Banking
BNP Paribas – Corporate Banking
Capital One – Strategy Consulting
Evercore – Investment Banking (2x)
Roland Berger – Management Consulting
Shore Capital Partners – Private Equity
Union Square Advisors – Investment Banking
William Blair – Investment Banking

Class of 2023 Placement

BGL – Investment Banking
Bank of America – Investment Banking
Blackstone – Credit
Blackstone – Private Wealth Solutions
Blackstone – Real Estate Debt Strategies
Blackstone – Tactical Opportunities
Citi – Investment Banking (2x)
Deutsche Bank – Investment Banking
Lazard – Investment Banking
Macquarie – Investment Banking
Moelis – Investment Banking
Morgan Stanley – Sales and Trading
PJT – Investment Banking
Morgan Stanley – Investment Banking
William Blair – Investment Banking

Class of 2024 Placement

Bank of America – Investment Banking (2x)
Blackstone – Corporate Private Equity
Blackstone – Real Estate Private Equity
Centerview – Investment Banking
Evercore – Investment Banking
Greenhill – Investment Banking (2x)
Houlihan Lokey – Investment Banking
McKinsey – Healthcare Consulting
Moelis – Investment Banking
Starwood Capital – Real Estate Private Equity
PIMCO – Real Estate
PJT – Investment Banking
MSD – Credit
William Blair – Investment Banking

What We're Looking For

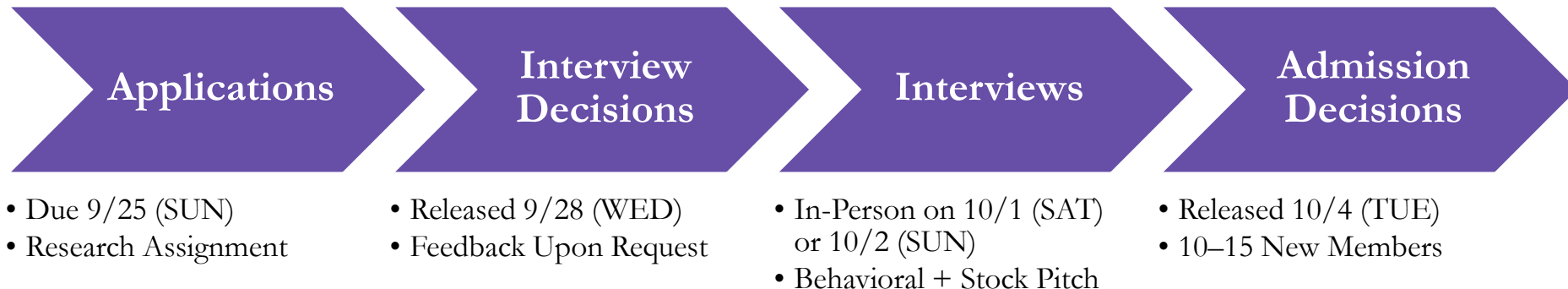
A Candidate's Qualities

- (0) ZERO prior finance or investing experience required
- (1) Thinks critically
- (2) Willing to work hard
- (3) Able to conduct good research

Candidate Profiles

- Typically freshmen
- Often studying economics, but also in engineering, computer science, pre-med, communications, liberal arts...
- Generally with career goals in finance, but also in consulting, tech, law, business, academia...

Recruitment Process



Contact NorthwesternIMG@gmail.com

Learn more at NUIMG.org

Register at tinyurl.com/IMG22FALL

Questions & Tips

What does the time commitment look like?

- 2 hours weekly training sessions
- 1 hour weekly pitch meetings
- 2+ hours weekly on investment research and pitch work
- Opportunities for mentorship and additional learning

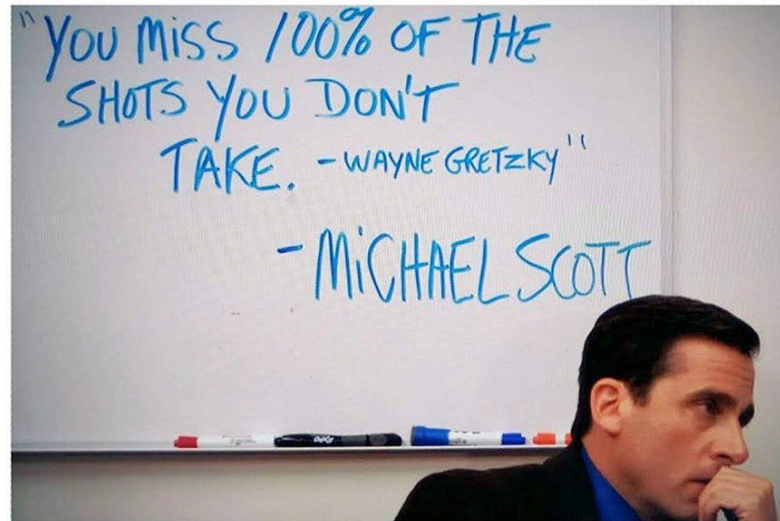
How do I find what to pitch?

- **Pitch what you know!** Don't start on the internet (e.g. Seeking Alpha, Motley Fool)
- Avoid unoriginal ideas (e.g., FAANG) or overly complicated companies—pitch what you can understand
- No expectations on rigorous financial modeling—do what you can. We care more about qualitative analysis
- Start with Company's Annual Report (10K)



Conclusion

- **Applications due 9/25 (SUN) at midnight**
- Email **NorthwesternIMG@gmail.com** with any questions not addressed on the application/website
- Learn more and apply at **NUIMG.org**
- Register at **tinyurl.com/IMG22FALL**



Small Group Q&A

- Recruitment Process
- First-Year Experience
- Professional Development
- Diversity and Inclusion