

## Why "Trout Creek"?

We get this question a lot.

First, there really is a Trout Creek near the founder's home in the hills west of Philadelphia, Pennsylvania.

Second, just as trout fishing is a stress reducing activity, using Trout Creek Consulting, LLC for

- **Actionable Strategies**
- **Market Understanding**
- **Objective Valuations**
- **Business Simulations**
- **Immediate Impact Workshops**

is meant to inspire the confidence and lower stress that come with **improved decision making**.

Finally, the leaping trout in our logo is a symbol of success overcoming challenges — whether in fishing, business, or life.



*"I am easily satisfied with the very best."*

*Winston Churchill*

## Trout Creek Consulting, LLC

P.O. Box 645  
Devon, PA 19333-0645

Phone: 610-296-2370  
E-mail: [info@troutcreekconsulting.com](mailto:info@troutcreekconsulting.com)  
[www.troutcreekconsulting.com](http://www.troutcreekconsulting.com)

*Creating Value Through  
Improved  
Decision Making<sup>SM</sup>*



**Trout Creek Consulting, LLC**

## Our Philosophy

**Trout Creek Consulting**, a management consulting firm based in the mid-Atlantic region, was founded on the principle that management consultants with strong problem solving and finance skills, significant operating experience, and industry knowledge will deliver superior value to clients. At Trout Creek Consulting (TCC), **we help clients create value through improved decision making** by providing Actionable Strategies, Market Understanding, Objective Valuations, Business Simulations, and Immediate Impact Workshops.

Our industry knowledge includes the biomaterial, biopharmaceutical, cosmetic, energy, fine chemical, food ingredient, medical device, nutraceutical, oral care, petrochemical, pharmaceutical, and specialty chemical industries.

### Actionable Strategies

Our concept of Actionable Strategy isn't a bound set of decks, collecting dust on a shelf, that are looked at every couple of years when someone needs a high level pie chart or is looking for a presentation format. Our concept is that a strategic plan must contain both the statistics and drivers answering "why?" and the industry view, gap analysis, action steps, resource requirements, specific target profiles, schedule, path markers, and valuation assessments that also answer "who?", "what?", "how?", "how much?", "when?", "what if?", and "how do we know we're on the right path?".

In short, an Actionable Strategy is just that, **Actionable!**



pharmaceutical, cosmetic, energy, fine chemical, food ingredient, medical device, nutraceutical, oral care, petrochemical, pharmaceutical, and specialty chemical

### Market Understanding

One of the most important components of business success is Market Understanding. That is, to understand an industry or segment; its evolution; the impact of changes in price, demand, raw materials, channel, capacity, competition, regulation, reimbursement, consumer preference, and other factors going forward; and the best business models for success. At TCC, we have observed that successful businesses learn, create, or back into the best business models.

Market Understanding is also important in acquisitions. Many acquisitions are not "pure plays" — that is, the acquirer ends up with extraneous businesses they neither want nor understand. Market Understanding can provide the acquirer with the necessary information and valuation to manage and minimize the risk associated with the extraneous businesses.



Market Understanding leads to improved decision making

### Objective Valuations

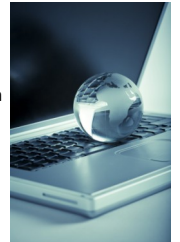
TCC uses multiple approaches to triangulate on a valuation and then test its sensitivities. We use all three valuation methods as appropriate: income or discounted cash flow (DCF), market comparables, and asset- or cost-based. For complex, uncertain situations, we have found simulations using DCF with decision tree analysis and market comparables to be a very useful combined approach. We test sensitivities by both simulating specific scenarios of high interest or concern and using Monte Carlo methods.

At TCC, we have valued development portfolios, products, technologies, and businesses. We strongly believe that valuations must be objective, realistic, transparent, and supportable. TCC also provides valuations for U.S. 409A compliance.

### Business Simulations

Simulation is an important underpinning of many TCC offerings. Our founder began his career simulating complex chemical processes and successfully transferred that competency to the simulation of products, development portfolios, market segments, industries, and businesses in order to drive improved decision making in overall business management, technology management, and negotiations.

For example, business simulations can be used to understand the impact that capacity additions will have on pricing; the evolution of an end consumer market undergoing technology and product upheaval and, the impact of these changes on direct and indirect suppliers to this market; the options that a major customer has in upcoming negotiations; and the impact of different strategic scenarios in an uncertain future.



Simulations give predictive forecasts

Business simulations lead to the "Ah ha!" moments where wisdom and confidence are found.

### Immediate Impact Workshops

TCC recognizes that some clients have more immediate needs — finding synergies with a potential acquisition target, business turnaround analysis and advice, and contract negotiation support. Some clients may just want an objective and knowledgeable third party to review business plans and annual budget proposals or to assist in a development portfolio review. Workshops such as **Synergies in a Day<sup>SM</sup>**, **Competitive Gaming**, **Customer Segmentation and Management**, **Development Portfolio Management**, and **Negotiation Support** were created to meet these client needs.