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“No one really knew what we would get for GulfTel, and frankly we were pleased with the initial appraisal’s value. However, the professionals of DCF saw far more value in GulfTel. They seized upon the hidden assets buried in the Company’s underground fiber optics lines. DCF advised us that the value was closer to \$250 million. Then, DCF found a buyer that would pay \$328 million, more than double our original expectations.”

- Mort Swaim, Attorney for GulfTel Shareholders

DCF, LLC, member FINRA, SIPC, is an investment banking firm that provides middle market companies with:

- Sell-side advisory,
- Buy-side advisory,
- Debt and equity capital sourcing,
- Fairness opinions, and
- Other transaction advisory services.

DCF helps business owners grow their businesses to maximize their value when selling or accessing capital for growth.

ABOUT GULFTEL

Based in Foley, Alabama, GulfTel Communications served the lower Alabama region as a regional telephone company providing telephone line service to consumers and businesses.

CLIENT OBJECTIVES

When GulfTel was put up for sale, CEO Marjorie Y. Snook said she was not sure what the company was worth. A large New York-based investment bank, later supported by a nationally known valuation firm, proposed selling the Company to a buyer at \$150 million. “No one really knew what we would get for GulfTel, and frankly Mrs. Snook was very pleased with the initial appraisal’s value,” said Mort Swaim, attorney for Mrs. Snook and a member of the Snook family foundation.

MAXIMIZING VALUE

But the professionals of DCF saw far more value in GulfTel. Paul Cheney seized upon the hidden assets buried in the Company’s underground fiber optics lines. We advised GulfTel that the value was closer to \$250 million, a 67% increase.

DISCIPLINED PROCESS

GulfTel’s shareholders asked us to prove it, asking us to sell GulfTel. We conducted our disciplined sell-side process. Having already performed a valuation, we identified potential buyers and constructed marketing materials that would capitalize on the Company’s fiber optic lines. We then conducted our confidential marketing process, in which many interested parties were brought to the table to compete for the Company.

PROVEN RESULTS

We ultimately sold the Company to Madison River Communications (an equity fund formed and funded for the purpose of acquiring telephone companies). The resulting price: \$328 million – more than double that of the initial appraisal. “DCF more than doubled the value of GulfTel,” Mr. Swaim said. “In one day alone, the price went up by over \$100 million. We were astonished.”

