

Joseph Statter

Bringing Compassion to Investment Banking

Working in his teens in a rough neighborhood of downtown Baltimore, Joe Statter remembers the way people looked up to his father, who owned and operated an independent corner drugstore. The store, with its lottery machine, liquor counter, check-cashing station, and pharmacy, was the scene that set the stage for Joe's understanding of business, and of life. "At least 95 percent of our customers were on some form of public assistance, so it exposed me to how rough things can get for people," Joe recalls today. "It's where I learned finance, since we would extend credit to customers that gave us check-cashing business."

But most of all, when he helped out on weekends and vacations from age twelve through the end of his teenage years, it taught Joe how to care. "My dad was like a pillar in that neighborhood," he says. "When he'd walk down the street, everyone would say, 'Hey doc!' He looked out for people, so they looked out for him. I think that's why he survived. In that neighborhood, there wasn't a day that you didn't get hassled by someone. But at the end of the day, he was still there trying to help people."

Watching his father, Joe learned that there was no substitute for truly caring about the people you serve. Now the President of Evergreen Advisors Capital, a leading investment banker to middle market companies, it is Joe's compassion—first modeled by his father and later reinforced through his experience with his own children—that sets him apart professionally.

Evergreen Advisors, the investment banking and corporate advisory firm of which Evergreen Advisors Capital is a part, was launched in 2001 to focus predominantly on outsourced CFO services. As it grew, it took on a consulting and capital raise expertise, and then entered the world of investment banking. It weathered the storm of the economic downturn in 2008, and in 2015

launched Evergreen Advisors Capital to formally serve as the firm's investment bank. Joe has grown the fledgling effort into a team of eight professionals today, while the broader firm has reached 22 employees.

With a focus on sell-side transactions with an enterprise value of at least \$15 million, Evergreen Advisors Capital has cultivated its mastery of exit and liquidity strategies like divestitures, acquisitions, mergers, recapitalizations, and management buy-outs.

Investment banking is a lumpy business by its nature, but the firm's valuation and outsource CFO consulting business provides a steady stream of revenue to smooth out that volatility. "Our firm is unique because it has sustainability built into its design," Joe explains. "That allows us to build a brand and reputation, growing the investment banking business to truly make an impact."

Evergreen Advisors Capital is also set apart by its ability to offer big bank capabilities focused on the lower middle market. From his previous experience serving as Managing Director of the Technology, Media, and Telecom Investment Banking team of Friedman Billings Ramsey, Joe brings robust experience and a seasoned eye for top talent, using both to build a world-class team dedicated to providing sophisticated analyses and attentive service. "If you're a small business owner ready to sell, we're going to reach out to strategic and financial buyers and guide you through the process of attracting, negotiating, and cutting the best deal," Joe says.

Because each transaction takes anywhere from six months to several years to execute, Joe and his team develop deep relationships and partnerships with the clients they serve. Working through stressful situations and strategic negotiations side-by-side, they learn to raise each other up through trying times and also develop



relationships with the counterparties that prove valuable in the long run. “We get better and better as time goes on because it’s really this virtuous cycle of relationship-building,” Joe affirms. “And with our breadth of expertise, we can lend value across the entire span of a company’s life cycle. When startups are looking for angel financing, they might work with our outsourced CFO group to make sure the books are in order for their investors. We can help out with the investment banking and orchestrate a capital raise. When the company has grown enough that the owners want to sell it, we can do that. The valuation team has strong capabilities in purchase price allocations, tax, and estate planning valuations, as well as family transfers and 409A valuations when companies adopt an option plan.”

Today, Evergreen Advisors Capital clients vary but often tend to be companies leveraging technology in some way. The firm has a strong track record in the cybersecurity space and the business services space, including business process outsourcing companies. “We’re a very entrepreneurial organization and culture,” he says. “We’re entrepreneurs helping entrepreneurs. We thrive—and we help our clients thrive—in environments that are always changing, demanding constant action in pursuit of performance-based success that allows people to control their own destinies.”

Joe first began developing this sense of ease amidst adversity as a young boy growing up in Pikesville. Born and raised in Baltimore in a tight-knit community, Joe was the youngest of the family with two older sisters. While his father ran the store, his mother stayed at home until he was eleven, when she got a part-time job as a medical secretary. The family was very close, and while they weren’t wealthy, they never felt underprivileged. “Dad usually worked till eight so he’d miss our family dinners, but I’d sit and keep him company while he ate after he returned home,” Joe remembers. “We’d talk about the store, about my day, about the Orioles and the Colts. I was very fortunate that both my parents were so involved and had such great senses of humor, work ethic, and compassion.”

Though Joe’s parents always stressed the value of education, he didn’t work especially hard in school, and was more interested in competitive athletics. He began playing Little League Baseball at age eight, switched to lacrosse at thirteen, and

also enjoyed soccer and pickup games of basketball or football. “My father taught me that you don’t get something for nothing,” Joe recalls. “He stressed to my sisters and me that we’d always face competition in our lives, so it was important to work hard at what we wanted to do. I really enjoyed competing through sports.”

Aside from school and sports, Joe enjoyed hanging out with friends and working for his father. “It was great to drive to work in the morning with him and do what he did,” Joe recounts. “It built a nice bond.” When father and son weren’t working, they enjoyed fishing together. In the summer, his grandfather and uncles would join them early in the morning to take a rowboat out and catch a bushel of crabs, which they’d later steam for family gatherings. “Early on, my grandfather spent a lot of time with me while my dad was working,” Joe says. “Family was the biggest thing in my life.”

Joe’s sixth grade English teacher, Mr. Wilson, took a great interest in him, which had a very positive effect on Joe’s development. “He taught me a lot of important lessons and was always pushing me to run for class president,” Joe says. Joe didn’t pursue a leadership position until ninth grade, when he served as captain of the lacrosse team. “I would lead by example, trying to run further and faster to show my work ethic,” he recounts. “I was small for my age, but I resolved that I was going to get a lot of playing time. I ignored the challenges and focused on my own thing, and I was always on the first string.”

Through lacrosse, Joe learned the importance of teamwork, and he still craves that feeling he used to get when his team would beat the odds and score a winning goal in the last few minutes of the game. “I loved when everyone on the team was working together and able to accomplish any goal,” he recounts. “I’ve always parlayed that feeling into the teams I’ve worked on through my business career. Everyone’s got a role to play. Everyone’s got to be in a certain spot on the field at a certain time. I learned so much from those days competing in lacrosse that I still carry with me.”

Upon graduating from high school, Joe enrolled at the University of Maryland College Park. His father urged him to major in accounting because “no one can take that away from you”—a solid piece of advice that Joe decided to embrace. He was discouraged, however, when he bombed

the first exam of his Intermediate Accounting class. He ended the course with a D and thought he might not be cut out for the field after all, but when he got a B in Intermediate Accounting II, he decided it was something he could work his way through. With that, he decided to stick with it.

Through college, Joe landed summer jobs at a real estate firm and a commercial appraisal business, building up a solid track record of professional experience that proved invaluable when he graduated in 1988. He interviewed at the Big 8 accounting firms and received a few offers, but especially hit it out of the park when he landed a tax position at Arthur Andersen. Only during the next recruiting season did he understand just how lucky he was to actually land the job at all. "Looking at the candidates vying for the next class of employees, I realized that my grades were not outstanding," he says. "Thankfully, my professional experience got me in the door. That understanding gave me both gratitude for what I had accomplished, and motivation to accomplish more."

Joe found his first several years at the firm highly engaging, especially lessons learned in the recession of 1989. But he had always viewed the field of tax as a foundation and not an endgame, and with time, he grew ready for his next challenge. Fortunately, at five years with the firm and after a particularly challenging tax season learning the ropes as a manager, he was given the opportunity to change careers when Andersen launched a corporate finance group. He went to work for the group, where he spent another five years growing the practice from three to twenty people.

After a phenomenal experience at Arthur Andersen, Joe took an investment banking VP position with Friedman, Billings & Ramsey in 1998. "The Russian ruble collapsed ten days after I started, and I remember walking around the block with my boss," he says. "He was also new, and we both thought they might not keep us around for long. But our mentors stuck it out with us, allowing us to build the business and pioneer new products for the firm. So I pushed the group to expand beyond IPOs, into M&A and private placements. I was pretty proud that we were able to diversify, building a portfolio of products that allowed us to maximize our relevance as a brand."

Joe was most proud, however, that through the recession spurred by the tech bubble,

his was the only team in the firm that didn't shed any jobs. Drawing on his leadership skills and on the recession playbook of his experience at Andersen, he was able to reassure the team and quickly pick up bankruptcy and restructuring work that allowed them to keep the lights on. "I knew intuitively that we were going to be okay, and I kept everyone motivated and focused on creating value," he says. "One of the proudest moments of my career came when we got through that without firing anyone."

In 2008, Joe left FBR as a Managing Director to join Capitol Acquisition Corp., a \$262 million special purpose acquisition corporation founded by one of his previous clients. "I brought a colleague with me from Friedman, Billings & Ramsey, and we were their deal team," Joe says. "We activated our network, and over the next year, we looked at over 200 deals. It was a ring-side seat to the market just as the Great Recession hit—an incredible learning experience." Joe also assumed the role of acting CFO for Capitol Acquisition Corp., managing a constant barrage of investor calls concerned about the safety of the company's cash. He muscled through the financial crisis and closed their merger in October of 2009 with Two Harbors Investment Corp.—a remarkable testament to his creativity and foresight.

Joe had four children to support by that time, so he decided to close the door on the high-pressure and risky world of SPACs. In January of 2010, he became a cofounder and CFO of CTB Group, Inc., a startup focused on assembling and repurposing UHF TV spectrum to create a next-generation wireless network. But that venture proved risky as well when the FCC changed its spectrum rights regulations, and Joe knew it was time to switch gears. Around that time, he was asked by the CEO of Evergreen Advisors to join the firm. Soon after he accepted the offer and started as a Managing Director in investment banking, the firm launched Evergreen Advisors Capital. Joe was charged with opening their Tyson's office, and when the company went before the Financial Industry Regulatory Authority for its broker-dealer license, they placed Joe in the role of President thanks to his previous experience.

The first deal Joe brought in was a minority recapitalization for a client that generated \$9 million in liquidity for its shareholders. Three years later, Joe led another recapitalization for that

same client, this time clearing them over \$40 million of cash plus retaining 10 percent of the company. In another instance, Joe helped raise \$7.5 million for a small digital health company taking a data driven approach to selecting cancer therapies—capital that enabled the company to continue to prove out their solution and extend the lives of cancer patients. Overall, Joe has raised or generated liquidity of over \$4 billion of capital and wealth for his clients. “Achieving that kind of success for my clients is why I do what I do,” he affirms. “I love the chase of winning business and the challenge of executing the transactions to a successful outcome. And I love that throughout the process, I’m always learning something. Maybe it’s a new industry or an innovative way to conduct business. Maybe it’s something new about myself, or maybe it’s something about the remarkable creativity of others who start and build businesses. The drive and creativity of entrepreneurs never ceases to amaze me.”

Through it all, Joe has cherished the love and support of Jennifer, his wife since 1992. The two met in junior high school, but when her family moved to California when she was in ninth grade, they only saw each other intermittently over the next decade. They reconnected in 1990 around Joe’s five-year high school reunion, and are now proud parents of two girls, ages 22 and 19, and twin boys who are 16. “We’re both strong people and optimists,” Joe says. “We feed off each other in that way. Jennifer is unbelievable—a great person, smart, sweet, an incredible mother, and a constant source of support. I couldn’t have picked a better partner.”

One of their sons, Ethan, has autism, and Joe has been especially proud and humbled by how the whole family rallies around him. Ethan inspired Joe’s oldest daughter to write an essay about unconditional love and how he changed her outlook on life, and the piece was recently published by Ariana Huffington. “I couldn’t be prouder of our family,” he affirms. “Ethan has taught me true compassion, changing who I am fundamentally as a person. I know our whole family feels that way, and it’s a big deal.”

In advising young people entering the working world today, Joe underscores the value of taking the long view. “There’s a very good chance that what you got your degree in is not what you will be doing in ten years,” he says. “Make a point to step back and think about where you are in the landscape—how it’s changing, where you want to be, and how you can leverage the skills you have now to get there. College and your first few years beyond is about establishing the foundation of your skills. To succeed, you have to keep growing those skills and applying them to new opportunities.”

This approach to life and work takes discipline—something Joe sees personified in the concept of a treadmill. “I love it because it reminds me that if I don’t do something with what I have, I’m not going to get anything out of it,” he says. “I like to push myself, both athletically and professionally, and it’s important to remember that you can always hop off the treadmill for a breather if you need to. Treadmill workouts, like the deals we work on, can be long and grueling, requiring you to push forward day in and day out. But if you never get on, nothing good is going to happen. You don’t get something for nothing.”

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