

Buyouts

By: Chris Witkowsky
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FIRMS & FUNDS

Ex-Wynnchurch exec launches new shop FalconPoint with focus on 'essential products and services'

FalconPoint plans on making two to three investments per year, a pace that will allow the firm to dig into the operations of each investment.

Russ Gehrett, managing partner and founder of FalconPoint Partners, saw an opportunity to back mid-market industrials and business services companies with a “minority investor” mindset even in majority investments.

Gehrett, who worked at Wynnchurch Capital and before that at Pamplona Capital, started FalconPoint last year to lean heavily into this type of investing.

The firm, operating on a deal-by-deal basis, has raised around \$500 million from a group of investors. The plan is to eventually raise a traditional fund, a source said. The firm declined to comment about fundraising.

FalconPoint plans on making two to three investments per year, a pace that will allow the firm to dig into the operations of each investment, Gehrett said. The firm seeks to source deals on a proprietary basis, looking for opportunities to partner with founders and management teams that want to retain interest in the companies. It can make both majority and minority investments, according to its Form ADV.

“There is a huge market of baby boomer-led businesses that are still owned either by non-institutional capital or are still owned in part by non-institutional capital that as a group is not ready to turn over the keys and become an employee, they want to become partners,” Gehrett said.

“The flexibility we offer to these sellers and these partners is one of a minority mentality where we work in service of the partnerships and companies, not one where we ask them to work for us.”

FalconPoint looks for companies that provide an essential service to their value chain but are underappreciated in some way by the capital markets.

“A lot of what we do is working in operational partnership with management to elevate the essential qualities of the businesses, simplifying the narrative around the mission-critical nature of the product or service offering” Gehrett said.

In this way, the companies FalconPoint backs are often able to tap into a broader buyer universe, including multinational corporations, infrastructure funds or public listings.

The firm expects to announce its first deal soon, Gehrett said, declining to comment.

At Wynnchurch, Gehrett opened and led the firm’s New York office. Gehrett worked for nine years at Pamplona Capital, before joining Wynnchurch in 2021, according to his profile. Before, he spent four years at Wellspring Capital, his profile said.

Joining Gehrett at FalconPoint are Andrew Singer, an ex-Wynnchurch dealmaker who works as chief investment officer, and Alex Hawkinson, operating

partner who formerly worked alongside several FalconPoint principals.

Hawkinson launched and leads a company called BrightAi that works with FalconPoint executives to assist in tech upgrades at businesses in which they invest.

The firm plans to continue growing through a mentorship model.

“One thing we’re very focused on is offering an apprenticeship model and mentorship approach to developing talent. We’ll continue to build up the team with that in mind. We take a lot of time to find the right folks and give them the intellectual freedom and space to thrive,” Gehrett said.

FalconPoint is part of a wave of new firm formation that continues at what sources describe as a relatively strong pace, considering the headwinds around raising funds and making deals.

Many new firms build track records through deal-by-deal investing before embarking on the challenge of raising a first commingled fund. For more information about this emerging landscape, check out Buyouts extensive emerging manager database and exclusive coverage [here](#).

Update: This story was updated to clarify points of the firm’s strategy.