USC Marshall
School of Business

Breaking Into Investment Banking

Fall 2016

Michael Rosenburg & Emily McNeill

TROJAN INVESTING SOCIETY

Agenda

I. What is Investment Banking?

II. Breaking into Investment Banking

III. Resume/Cover Letter Guidelines

IV. Introduction to the Mentorship Program

TROJAN INVESTING SOCIETY

I. What is Investment Banking?

TROJAN INVESTING SOCIETY

What do Investment Bankers do?

Investment banking consists of deals that are worked on in the office for corporate clients.

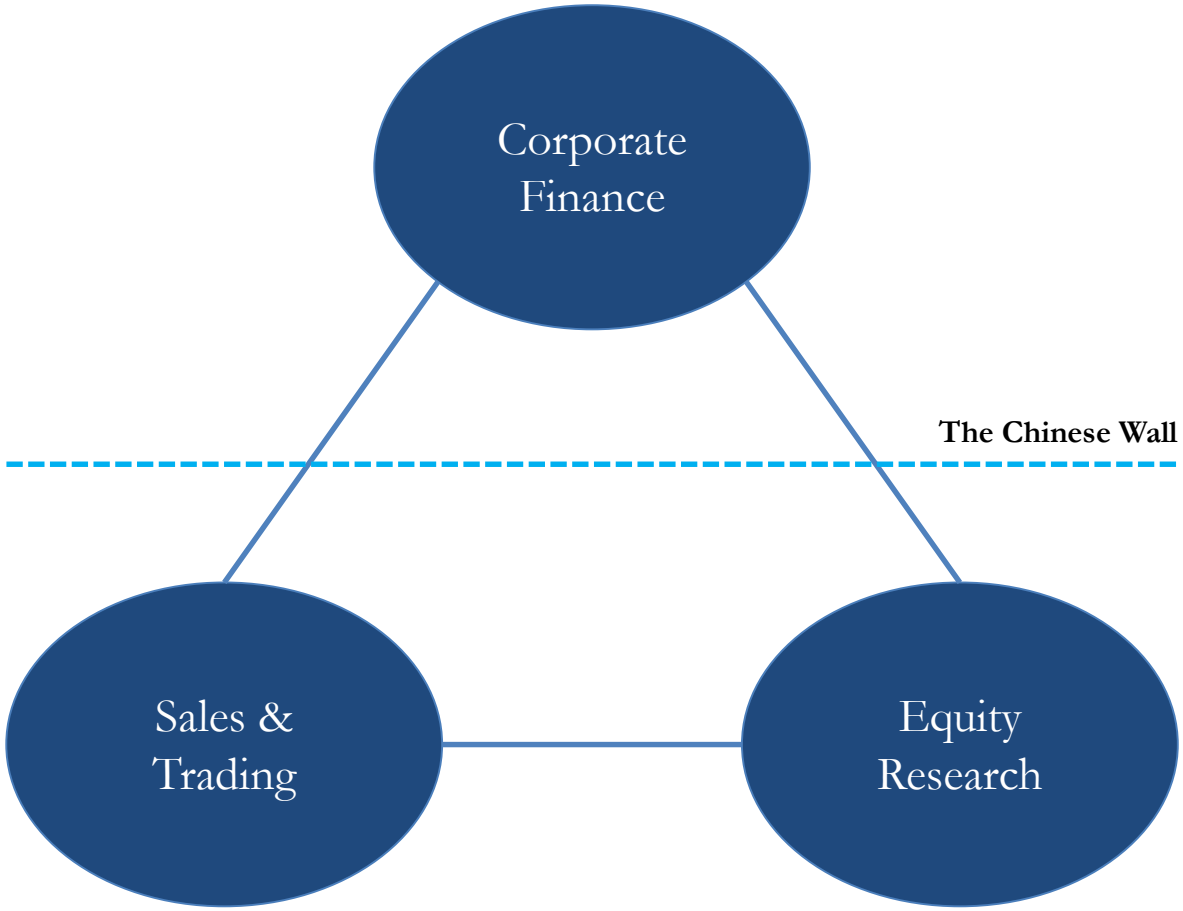
Typically, an analyst can expect to help figure out optimal scenarios for a corporation to purchase another company or to raise capital for a number of reasons. Often, the analyst is in charge of building the financial model and making the PowerPoint presentation for the client.

Below is a list of typical types of deals:

- Initial Public Offerings (IPOs)
- Debt Financings
- Mergers and Acquisitions (M&A)
- Restructuring

TROJAN INVESTING SOCIETY

The Investment Banking Triangle



TROJAN INVESTING SOCIETY

Investment Banks w/ Presence at USC

Investment Banks w/ Presence at USC

"The Bulge Bracket"

- The 8 largest banks – typically work on the largest deals
- Largest summer analyst classes
- Highly selective application process
- International presence
- Industry and Product Groups Available

Investment Banks w/ Presence at USC

LAZARD The Blackstone Group® EVERCORE CENTERVIEW

"Elite Boutiques"

- Smaller banks that compete with the Bulge Bracket for major deals
- Tend to be less involved with debt-based deals
- Small to Medium sized analyst classes
- International
- Industry and product groups typically available
- Highly selective

TROJAN INVESTING SOCIETY

Investment Banks w/ Presence at USC

"The Middle Market"

- Second tier of large banks
- Primarily compete with each other for deals in the $100mm to $500mm space
- Industry and Product Groups available

Investment Banks w/ Presence at USC

William Blair

Lincoln INTERNATIONAL

GUGGENHEIM

"Boutiques & Other"

- Smaller banks
- Tend to be focused on specific industries or regions
- Smallest analyst classes

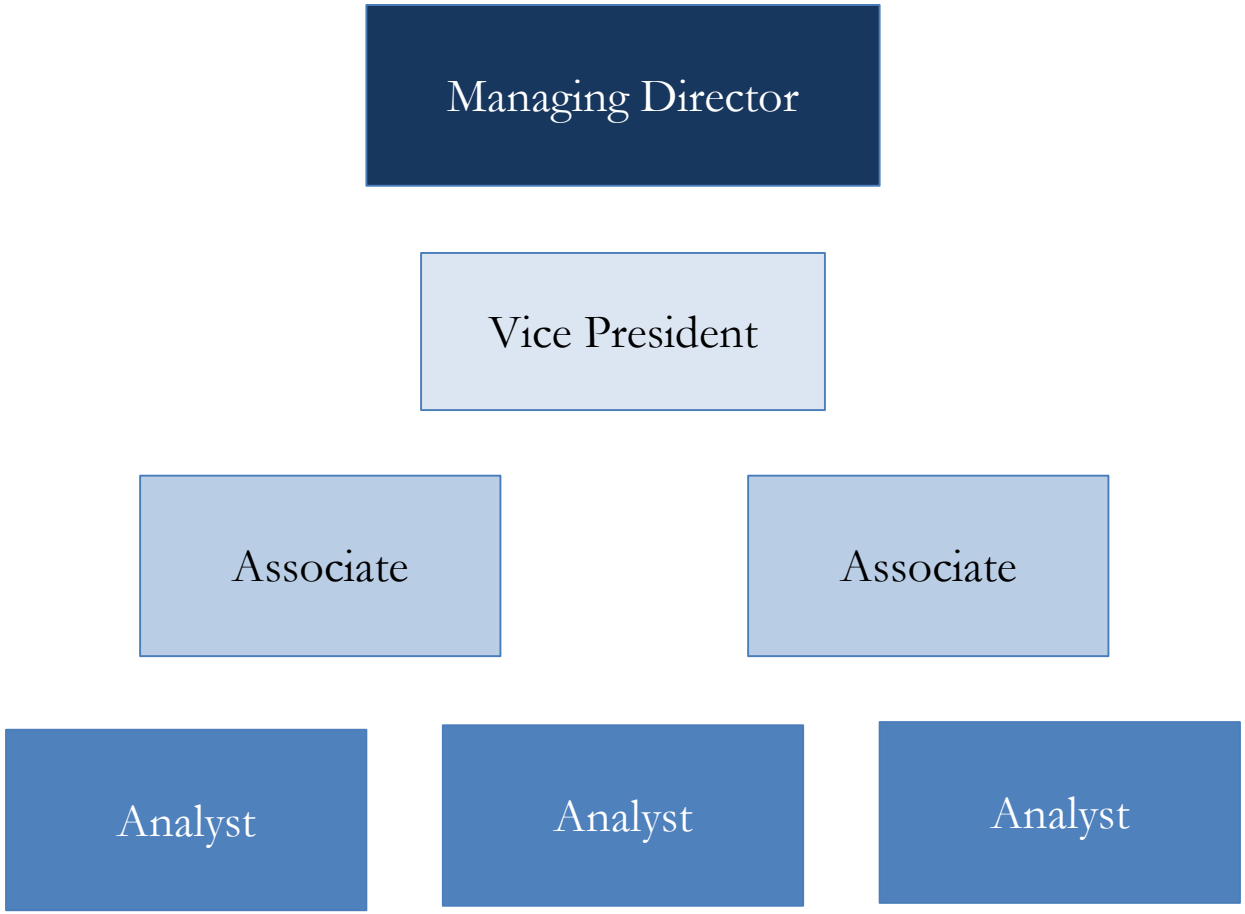
TROJAN INVESTING SOCIETY

Product vs. Industry Groups

Industry Groups	Product Groups
• Industrials • Aerospace & Defense • Consumer Retail • Technology, Media, and Telecom (TMT) • Business Services • Financial Sponsors • Gaming & Lodging • Real Estate • Healthcare • Financial Institutions	• Mergers & Acquisitions • Leveraged Finance • Equity Capital Markets • Debt Capital Markets • Restructuring

TROJAN INVESTING SOCIETY

Internal Hierarchy



TROJAN INVESTING SOCIETY

II. Breaking into Investment Banking

TROJAN INVESTING SOCIETY

Preparation at USC Marshall for IB

Freshman Year

- Aim to achieve above a 3.7 cumulative GPA
- Get involved in student organizations, both social and professional
- Join Trojan Investing Society to learn and interact with more finance-minded students
- Obtain a summer internship– whether its wealth management or a start-up, any sort of work experience helps

Sophomore Year

- Maintain and improve upon your freshman year GPA
- Take finance and accounting classes at Marshall to get exposure and knowledge of the financial world
- Pursue leadership in ones you truly care about
- Obtain a finance-related internship, ideally at a boutique investment bank or private equity firm

TROJAN INVESTING SOCIETY

Preparation for IB – IBD Recruiting

Junior Year: September – October

- Attend the Bulge Bracket Panel hosted by TIS and network with all present banks
- Network with 2-3 investment bankers per office over coffee or on the phone (approx. 20-30mins)
- Attend all bank information sessions and events to demonstrate interest
- Study M&I technical guides and begin mock interviews with senior mentors
- Follow resume drop deadlines

Junior Year: October– January

- Heavy technical preparation & aim for 3 mock interviews/week
- Make sure you are registered for On Campus Recruiting (OCR) through ConnectSC
- Prepare for first rounds: Hosted on phone or on campus
- Superdays typically hosted the week before Thanksgiving, however this will likely be accelerate
- Work hard & get an offer!

TROJAN INVESTING SOCIETY

Networking

Why Should You Network?

- Demonstrates initiative, eagerness, and drive
- Opportunity to learn more about the firm, office, and/or job
- Informational interviews lead to formal job interviews
- Referrals and leads can expand your network and increase your chances
- "Someone needs to go to bat for you…"

TROJAN INVESTING SOCIETY

Recommended Coursework for IB

These classes will provide a foundation with which to begin technical training

- **Corporate Finance / Investment Banking**
  - FBE 421 (Plotts/Moyer), FBE 431, FBE 432, FBE 461, ACCT 415
- **Investment Management / Sales & Trading**
  - FBE 421, FBE 435, FBE 440, FBE 441, FBE 463, FBE 459
- **Real Estate**
  - FBE 391, FBE 427, FBE 466, FBE 470, FBD 489
- **Private Equity / Venture Capital**
  - FBE 421, FBE 423, FBE 437, FBE 458

TROJAN INVESTING SOCIETY

Preparation at USC Marshall for IB

Preparation outside the classroom is critical to recruiting success

Websites/Publications

- Wall Street Journal, Financial Times, New York Times (Dealbook), Bloomberg Businessweek, Term Sheet

Interview Guides / Resources

- Mergers and Inquisitions Guide, Vault Guides, Wall Street Oasis
- TIS Mentorship Program Question Bank

Textbooks

- "Investment Banking" by Rosenbaum and Pearl

TROJAN INVESTING SOCIETY

Extracurricular Activities

USC Involvement

- Financial firms take your full body of work into account when selecting candidates
- It is important to show the following qualities when discussing extracurricular activities

  I. **Well-roundedness**
  II. **Commitment**
  III. **Passion**
  IV. **Leadership**
  V. **Willingness to learn**

- Get involved in Marshall & other USC organizations including:
  - Trojan Investing Society
  - Trojan Consulting Group
  - Los Angeles Community Impact
  - Marshall Case Team
  - Value Investing Group
  - Fraternity/Sorority
  - Undergraduate Student Government

TROJAN INVESTING SOCIETY

III. Resume/Cover Letter Guidelines

TROJAN INVESTING SOCIETY

Resume & Cover Letter

A Strong Resume and Cover Letter are Imperative to Success:

Resumes provide recruiters/bankers with a **FIRST IMPRESSION**

They demonstrate a strong **interest** and **dedication** to the field

They give potential employers a **snapshot** of your life

They outline your **qualifications**

TROJAN INVESTING SOCIETY

Cover Letter – Format (Internship):

Tommy Trojan
Address, City, CA 90007 • (000)000-0000 • name@usc.edu

January 24, 2010

Recruiter
Finance Firm
123 East Main Street, 6th Floor
Charlottesville, VA 22902

Dear Ms. Recruiter:

My name is Tommy Trojan and I am a junior at USC in the Marshall School of Business pursuing a double concentration in Financial Valuation and Real Estate Finance. I am writing to you to express my interest in the Finance Firm Securities Investment Banking and Capital Markets Summer Analyst Program.

I possess both relevant work and extracurricular experience to excel as a summer analyst within Finance Firm Securities. This fall I worked at a boutique investment bank called LA BANK. NAME, the former Credit Suisse global head of gaming and head of U.S. lodging and leisure investment banking, founded the group in February 2009. While working at LA BANK I gained transactional experience on a variety of deals including a buy side acquisition, debt and equity financing, and strategic advisory engagements. Prior to my investment banking internship, I learned about credit and the capital markets working eight months on the Asset Management Group's Mortgage-Backed Securities trading desk. Finally, I am the President of Marshall Club. Our organization serves as a career resource for undergraduate students interested in the financial services industry.

Finance Firm Securities is a group that takes pride in its conservative culture, disciplined management, and long term vision. Given my background and previous experience in investment banking, I believe that I would be a good fit for the summer analyst program. My strong work ethic, professional maturity, and commitment to teamwork will benefit Finance Firm Securities in providing the best advisory and execution available to its clients.

A copy of my resume is enclosed for your reference. I welcome the opportunity to discuss my qualifications with you and learn more about Finance Firm Securities at your earliest convenience. I can be reached at (000) 000-0000 or via email at ttrojan@usc.edu. Thank you very much for your time and consideration.

Sincerely,

Tommy T. Trojan

TROJAN INVESTING SOCIETY

Cover Letter – Content Outline:

Intro Paragraph

PERSONAL INTRODUCTION

My name is Tommy Trojan and I am a junior at USC in the Marshall School of Business pursuing a double concentration in Financial Valuation and Real Estate Finance.

COVER LETTER PURPOSE

I am writing to you to express my interest in the Finance Firm Securities Investment Banking and Capital Markets Summer Analyst Program.

1st Body Paragraph

STATEMENT ABOUT RELEVANT EXPERIENCE

I possess both relevant work and extracurricular experience to excel as a summer analyst within Finance Firm Securities.

MOST RELEVANT INTERNSHIP

This fall I worked at a boutique investment bank called LA BANK. NAME, the former Credit Suisse global head of gaming and head of U.S. lodging and leisure investment banking, founded the group in February 2009. While working at LA BANK I gained transactional experience on a variety of deals including a buy side acquisition, debt and equity financing, and strategic advisory engagements.

2ND MOST RELEVANT INTERNSHIP

Prior to my investment banking internship, I learned about credit and the capital markets working eight months on the Asset Management Group's Mortgage-Backed Securities trading desk.

RELEVANT LEADERSHIP

Finally, I am the President of Marshall Club. Our organization serves as a career resource for undergraduate students interested in the financial services industry.

2nd Body Paragraph

STATEMENT ABOUT COMPANY'S BACKGROUND

Finance Firm Securities is a group that takes pride in its conservative culture, disciplined management, and long term vision.

WHY YOU FIT IN WITH COMPANY

Given my background and previous experience in investment banking, I believe that I would be a good fit for the summer analyst program. My strong work ethic, professional maturity, and commitment to teamwork will benefit Finance Firm Securities in providing the best advisory and execution available to its clients.

Closing Paragraph

CLOSING

A copy of my resume is enclosed for your reference. I welcome the opportunity to discuss my qualifications with you and learn more about Finance Firm Securities at your earliest convenience. I can be reached at (000) 000-0000 or via email at ttrojan@usc.edu. Thank you very much for your time and consideration.

TROJAN INVESTING SOCIETY

Resume Example - Internship

Education
Opportunity to Show Academic Success

Additional Info
- Technical Skills
- More Than Just a Finance Nut

Diverse Finance Experience
- Industry Interest
- Technical Skills

Leadership Positions
- Team Work
- Well-Rounded

NAME
Address, City, CA 90007 • (000)000-0000 • name@usc.edu

EDUCATION

UNIVERSITY OF SOUTHERN CALIFORNIA, Los Angeles, CA — May 2011
Major: Business Administration, B.S. — Cumulative GPA: 2.00
Concentrations: Concentration #1 & Concentration #2 — Marshall GPA: 2.00
SAT I: Math – 200 Verbal – 200; **ACT:** 50

Awards & Recognition: USC Dean's List: Fall 2007 – Spring 2009, Marshall Global Leadership Program (GLP), Alpha Lambda Delta National Honor Society

PROFESSIONAL EXPERIENCE

Regional Boutique Investment Bank, Los Angeles, CA — September 2009 – November 2009
Investment Banking Analyst Intern
- Investment banking analyst intern at full-service boutique investment bank focused on gaming, lodging, and real estate industries – gained insight and knowledge on various transactions including buy side acquisition, debt and equity financing, and strategic advisory
- Updated weekly gaming and lodging comparables to gain better understanding of current industry conditions
- Constructed discussion materials on distressed regional gaming properties to provide insight on acquisition opportunities for potential clients
- Conducted primary and secondary market research using Capital IQ, Thomson, and EDGAR databases
- Worked with Excel models to track monthly state gaming revenues, EBITDA, and operational statistics

Asset Management Company, Los Angeles, CA — January 2009 – August 2009
Credit Analyst Intern
- Credit analyst intern on Mortgage-Backed Securities trading desk with over $60 billion in assets under management
- Conducted financial modeling for TCW Strategic Income Fund (NYSE: TSI) and other CDO related products
- Performed price valuations on ABS, CLO, and CMBS portfolios through Intex, Trepp, and Bloomberg
- Provided research on the logistics and opportunities of TCW's PPIP/TALF CMBS strategy
- Built pivot table to organize and maintain securities lists for BWICs and weekly broker inventories

Boutique Venture Capital Research Company, Los Angeles, CA — June 2008 – August 2008
Research Intern
- Conducted research and analysis for proprietary database of over 9,250 companies and 97,000 executives
- Research topics included capital raising, executive transitions, funding transactions, and exit strategies

USC Marshall School of Business, Los Angeles, CA — June 2007 – March 2008
Research Assistant
- Researched federal and state lemon laws for Professor Thomas Gilligan (now Dean of UT McCombs School of Business) to determine price discrepancies in state used car markets
- Created original empirical formula to compare and measure the severity of each state's law

LEADERSHIP ACTIVITIES

Marshall Organization — September 2007 – Present
President
- Lead weekly discussion on topics including stocks, derivatives, emerging markets, ETFs, and current financial news
- Organize career events including Investment Banking, Hedge Fund, Private Equity, and Asset Management Panels
- Work closely with Marshall faculty to build industry contacts and provide internship opportunities for members

USC Undergraduate Student Government — September 2007 – Present
Director of Committee
- Acted as the official representative between the 16,000 undergraduate students and the 198,000 USC Alumni
- Designed and implemented Trojan Business Connection which provides students and alumni information about USC owned and operated restaurants and consumer businesses
- Served as student honoree member of Widney Alumni House Task Force

USC Fraternity — September 2007 – Present
Scholarship Chair
- Worked with executive board and USC administration to address key academic issues of the fraternity
- Coordinated and organized scholarship dinner highlighting fraternity achievements to USC staff and faculty
- Assisted in raising over $50,000 for the Friendship Circle during Spring 2008 BUST Week

ADDITIONAL

Skills: Bloomberg Certification, Microsoft Office, Intex, Trepp, Capital IQ, Thomson, EDGAR
Interests: Reading – Biographies and Historical Accounts, Politics, Baseball, Collegiate Football, Weightlifting

TROJAN INVESTING SOCIETY

Sample Introduction Email - Informational

Michael,

My name is Emily McNeill and I am currently a junior in the University of Southern California's Marshall School of Business. I recently attended the Trojan Investing Society's Fall Investment Banking Panel and have a strong interest in working in the industry this summer.

I was wondering if you would be available for a phone call, as I am very interested in learning more about your experience at Goldman Sachs as well as summer analyst opportunities with the firm. I have attached my resume for your reference and look forward to hearing from you.

Best regards,
Emily McNeill

TROJAN INVESTING SOCIETY

IV. TIS Events

TROJAN INVESTING SOCIETY

Trojan Investing Society Events

Fall Investment Banking Panel

- **Date:** Monday, September 19nd at 7pm
- **Description:** An hour-long Q&A session with a panel of investment bankers followed by networking with current analysts, associates, and VPs.

TIS Members will be given priority seating

Goldman Sachs

JPMorgan Chase & Co.

Morgan Stanley

Bank of America Merrill Lynch

citi

Credit Suisse

BARCLAYS

TROJAN INVESTING SOCIETY

Trojan Investing Society Events

TIS Office Hours

- **Date**: Friday's (11am – 2pm)
- **Description**: Speak one-on-one with seniors who have successfully navigated the investment banking internship recruiting process and secured full-time offers

TROJAN INVESTING SOCIETY