

Executive Profile



Mark Backstrom
Newport Beach, CA

EDUCATION

BS, Accounting

University of Southern California

CPA with public experience at Deloitte as Senior Auditor



RELEVANT EXPERIENCE

Hardesty, LLC – Partner

- *Interim CFO* – Multi-site ophthalmology practice from start-up to annual revenues of \$50M
- *Interim CFO* – \$40M pain management provider from immediate post-acquisition through transition to permanent CFO; Led integration of 4 separate platforms to a single new accounting platform
- *Interim Chief Revenue Officer* - \$80M DPM; Accelerated collections by ~30% within 6 months; Implemented new AR reporting to reduce DSO 6 days (13%) within 3 months
- NJ ultrasound management successful nine-figure software sale process
- CO DPM combined data from disparate multi-site systems and drove sale process

Financial Executive Consultant – \$20M, Consultant CFO for a multisite healthcare practice, developing 1st budget

Western Dental Service Corporation – *VP of Finance & Accounting* – \$900M, 5,000 emp, 320 sites, privately owned DPM

InterDent Service Corporation – *VP Finance & Business Development* – \$360M, 2000 employees, Multi-site, Privately Owned DPM

Infotrieve Inc – *VP Finance & Accounting* – \$35M, VC owned technical document delivery and software company

OPERATIONAL SKILLSET

- PE Experience – worked with PE and VC owners from preparation for sale through successful integration
- Accounting – block and tackling experience
- Audit – successfully driven audit process
- Disparate Systems – familiar with operating multiple platforms and conversion into successor system
- Operational Reporting – KPI development and management
- M&A and Integration – at InterDent, tripled pipeline and drove process of 2 offices from LOI to close; at Western drove integration of 60 offices with disparate RCM's, payrolls and GL systems
- Budgeting – comprehensive experience including white paper development, initial roll out and ongoing management & update
- Cross Department Coordination – experience with organizing stakeholders and developing IT solutions that fit operations
- RCM – multi platform management



Multi-Site Healthcare Finance Executive

Mark Backstrom is a Hardesty Operating Partner based out of Orange County, CA. He has extensive experience as a financial executive in the multi-site healthcare space overseeing financial planning & analysis, mergers & acquisitions and the traditional accounting functions. He has worked on both due diligence and integration for acquisitions varying in size from a single location to over 60 locations, leading cross-functional teams that included Operations, Information Technology and Revenue Cycle Management.

He has also led the sell-side diligence for two healthcare companies with combined enterprise values of \$1.5 billion. In addition to accounting for the opening balance sheet resulting successful sale of one employer, he has handled the purchase accounting for over a dozen acquisitions varying in size from under \$1 million. Mark has a passion for data, modeling and analytics, having built several complicated analyses that had previously been outsourced to third party specialists. He has worked in Deloitte's audit and tax practices.

CORE COMPETENCIES

- | | | |
|---------------------|---------------------------------|---------------------------------------|
| • Private Equity | • Accounting | • Audit |
| • Disparate Systems | • Operational Reporting | • M&A and Integration |
| • Budgeting | • Cross-Department Coordination | • Revenue Cycle Management |
| • Multi-Site | • Due Diligence | • Early-Stage Healthcare Board Member |

PROFESSIONAL EXPERIENCE

HARDESTY, LLC – Irvine, CA

Apr. 2021 – Present

Provision of executive talent on interim, fractional and project-based terms

Partner

Financial executive consultant specializing in multi-site healthcare

VALLEY ENDODONTICS & ORAL SURGERY – Scottsdale, AZ

Dec 2019 - Present

\$24M specialty dental practice with a 20+ dental professional network

Consulting Chief Financial Officer

WESTERN DENTAL & ORTHODONTICS – Orange County, CA

Nov 2017 – Nov 2019

\$900 million, multi-location (320 sites) DSO owned by New Mountain Capital (private equity group)

Vice President, Finance & Accounting

- Integrated accounting & finance for over 60 acquired offices, running on three disparate billing platforms, two payroll platforms and two General Ledger platforms.
 - Created a repeatable integration template project plan used for subsequent acquisitions.
 - All accounting was fully integrated to corporate office within 120 days.
 - Transitioned accounting duties for over two dozen acquired Accounting headcount to three headcount in corporate office, yielding \$1 million of annual savings.

- Partnered with heads of Operations, Revenue Cycle Management and IT to ensure successful conversion of billing platforms while minimizing disruption to financial results
- Led cross-functional team (Finance, Operations, Procurement) tasked with reducing fees from external lab vendors. Implemented new processes to realize annual savings of \$1.4 million (4.8% of spend)
- Oversaw preparation of monthly financial statements that involved consolidation of dozens of legal entities
- Assumed interim responsibility of the Business Development function due to unexpected turnover, closing three acquisitions over a six-week period

INTERDENT SERVICE CORPORATION – Inglewood, CA

Feb 2008 – Oct 2017

\$360 million, multi-location (200 sites) Dental Service Organization owned by HIG Capital (private equity group)

Vice President, Finance and Business Development

- Responsible for creating the M&A/Business Development and Finance functions within the organization, successfully growing the team to 3 and meeting all directives from ownership.
- Completed three highly complex acquisitions, totaling 12 separate locations, running point and completing all due diligence and analysis from LOI to onboarding. Within this process, was responsible for approval and pricing negotiations with lender partners, HIG Capital.
- Further developed, per acquisition, a dynamic two-year post-close rolling operational budget, including a multi-site practice with revenues over \$10 million.
- The Business Development team more than tripled the pipeline of acquisition opportunities in its first quarter of existence. Brought two additional practices to LOI, including negotiation of cash at close, contingent consideration, earnout period and earnout measurement methodology.
- Partnered with senior operations management to identify new operations KPI's and develop dashboard reporting for acquisitions not yet integrated onto InterDent's platform within a quarter of acquisition.
- Improved gross margin for one revenue stream for an acquired practice to 61% from 42% in less than one year.
- Identified post-acquisition EBITDA opportunities. Led cross-functional team, leading to savings in labor, supplies & lab expenses, and occupancy costs. Increased EBITDA% by 580 basis points.
- Implemented outsourcing & efficiency gains, reducing headcount 47% to 15 from 32, despite company growing from 120 locations, and \$220 million revenues to 203 locations with \$360 million annual revenues
- Served as Head of Finance and Operational Accounting during a period of potential liquidity event during 2015 fiscal year. Routinely interacted with and provided valuation and support to partnered investment professionals.
- Led Accounting role in sale of company to HIG Capital in August 2012, including subsequent purchase price adjustment for working capital true-up, and purchase accounting for the transaction.
- Led the successful integration, including system conversion, of eight acquired practices with a total of 24 sites.
- Established due diligence and integration processes and procedures for acquired practices.
- Prepared SEC-level disclosure financial statements in 10-K and 10-Q format, as required by indenture agreement
- Initially prepared, and then oversaw preparation of monthly financial statements that involved consolidation of over a dozen legal entities

- Represented the company to third parties as primary point of contact for \$15 million line of credit, annual financial audit, and all tax matters.
- Established Internal Audit group and company billing policies that reduced external financial audit adjustment to receivables by 99% within 12 months.
- Reduced monthly financials reporting time by 42% from 12 to 7 business days.

INFOTRIEVE, INC. – Wilton, CT

2005 - 2008

\$35 million, technical document delivery and software company with subsidiaries in Germany and Australia owned by Trident Capital, Boston Millennia Partners and Signal Equity Partners (venture capital firms)

Vice President, Finance

- Hired as Controller, reporting to the CFO. After CFO was terminated in 2006, was promoted to Vice President, Finance & Accounting reporting directly to the CEO & President, directing a staff of seven.
- Successfully completed a \$5,000,000 equity offering to existing stockholders and a corresponding recapitalization of the company as the top finance and accounting executive.
- Restructured Accounts Receivable group, bringing in an entirely new team. Mentored new A.R. Manager, who had no prior management experience, in creating a new collections initiative that reduced Days' Sales in Receivables by 19 days (23%) within three months, and 38 days (46%) within twelve months.
- Developed a weekly cash forecast to proactively identify future working capital and borrowing requirements.
- Trained Accounts Receivable and Accounts Payable personnel on general ledger accounting functions to expand their accounting experience.
- Managed audit of consolidated financial statements and 401K plan financial statements.
- Managed relationships with deposit institutions and lender.
- Oversaw implementation of new accounting software system (Navision 4.0).
- Implemented processes and procedures for payables, receivables, billing and general accounting functions that increased the efficiency of company resources and eliminating two headcount.

LOS ANGELES TIMES – El Segundo, CA

2004 - 2005

Fifth-largest newspaper in nation and largest in the Western United States with a print circulation of 118,760 and 500,000 online subscribers

Director of Finance

- Reported to the Corporate Controller of Los Angeles Times, directing Financial Planning and Accounting Functions for Recycler Classifieds with a staff of 10.
- Managed capital budgeting, reporting & analysis for Los Angeles Times (\$1.2 billion annual revenue).

CROWN CRAFTS, INC. – Gonzales, LA

1998 - 2003

\$70 million publicly traded (CRWS) infant bedding importer & manufacturer

Vice President – Chief Financial Officer

- Directed the Finance, MIS and Human Resources functions for the subsidiary comprising over 70% of the consolidated company's revenue. Reported to the Divisional President and made presentations to the Board.
- Directed annual budgeting process, including sales and production plans, departmental and capital spending.
- Created models to forecast weekly cash flows and monthly balance sheet. Updated financial forecast based on regular interaction with merchandising, purchasing, production and distribution department heads.
- Created a Cost Accounting group in a job-order costing environment. Personally mentored the first cost accountant hired and developed her into a respected Cost Accounting Manager.
- Created a new product costing system, including activity-based overhead rates, and corresponding new product costing/pricing sheet.
- Implemented monthly reports and meetings with senior management to review and minimize production & purchase price variances.
- Reviewed all brand license contracts prior to execution, including working with counsel to resolve any discrepancies.
- Directed implementation of excess and short inventory reporting system. Led corresponding meetings to disposition problems noted.
- Developed the monthly closing process where no formal process had previously existed. Created a general accounting group from scratch, first hiring a General Ledger Accountant and then an Accounting Manager.
- Automated several accounting functions to reduce headcount from 20 to 8.
- Managed Accounts Receivable group project that significantly reduced sales deductions and chargebacks.
- Managed the implementation of a fully integrated ERP system.

DELOITTE – Costa Mesa, CA

1992 - 1995

Big 4 accounting firm

Senior Auditor

- Largest audit clients included a publicly held distributor of pharmaceuticals, a publicly held dental maintenance organization, and a large food products manufacturer, including review of SEC filings.

EDUCATION

Bachelor of Science, Accounting – University of Southern California

ORGANIZATIONS

Board Member, Quantum Health Partners