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Tampa private equity veteran strikes out on his own

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Veteran Tampa dealmaker [Scott Long](#) has founded Canopy Capital Partners, a private equity firm focused on the lower middle market.

The new firm will specialize in control and management buyouts and recapitalizations of family-owned businesses. It also will consider minority equity transactions.

Canopy's investment criteria are companies with \$5 million to \$100 million in revenue, and earnings before interest, taxes, depreciation and amortization of \$1 million to \$10 million. The firm will invest nationwide, but there's a preference for companies in Florida.

The sweet spot is a Florida company with revenue between \$25 million and \$50 million, and \$2 million to \$5 million in EBITDA, Long said.

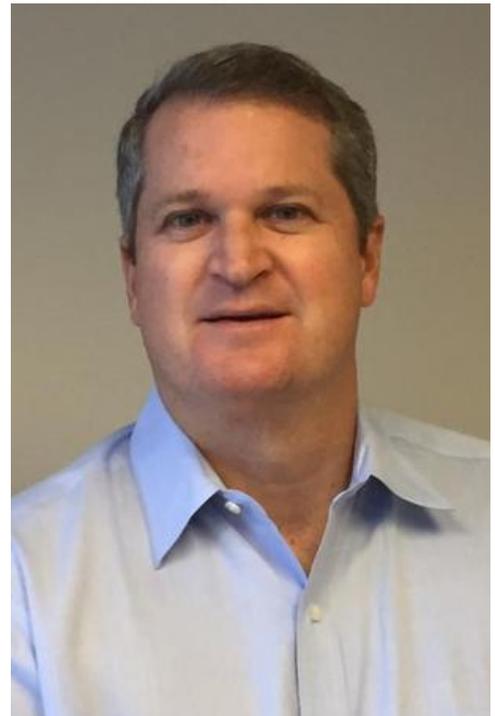
"That's just below where most of the lower middle market funds are playing," said Long, who is managing partner of Canopy.

Canopy is the second private equity firm to set up shop in Tampa in recent weeks. [BelHealth Investment Partners](#), a New York-based private equity firm, [opened a satellite office in Tampa in August](#), headed by [Scott Lee](#), a former principal at [HealthEdge Investment Partners](#).

Establishing a private equity office in the area indicates there are attractive local companies that private equity investors believe they can grow into bigger firms with the right capital backing.

Long spent the past 11 years at Palm Beach Capital, where he was senior vice president. Palm Beach Capital is headquartered in West Palm Beach, and Long was the company's sole representative in Tampa. Palm Beach Capital has an ongoing west coast presence with [Michael Chalhub](#), a partner who lives in Sarasota and covers Tampa to Naples, said Mike Schmickle, also a partner at the firm.

Before Palm Beach Capital, Long was a vice president at [SunTrust Robinson Humphrey](#) in Orlando, where he focused on providing sell-side M&A advisory services.



Scott Long is founder and managing partner of Canopy Capital Partners.

Long has a core group of investors that have invested together in previous deals and expect to do so going forward, he said. He will build out the rest of the capital structure deal by deal, he said.

It's a different model than traditional private equity deals, in which investors put money into a fund and are wedded to the 10 or 12 deals that are done through that fund.

"I know institutional investors who like specific spaces," Long said. "I'll build the team, the board and the capital structure specific to the deal."

He has a couple of portfolio companies that were part of earlier one-off deals. He teamed with Plexus Capital, a mezzanine fund, to invest in Freight Force, a final-mile logistics business in Anaheim, California, and DesignShop, a trade show exhibit business in Orlando.

Long and other investors have majority control in those firms. He serves on the boards of directors of both those companies and will continue to manage the investments, he said.

He also expects to share deal flow on an informal basis with Palm Beach Capital, if a transaction together makes sense.

"We had a wonderful relationship with Scott Long over the past eleven years and will continue to find ways to partner on transactions as he embarks on his new venture. We wish him much success," Schmickle said in an email.

Canopy's office is in downtown Tampa, in the Regions Bank building at 100 N. Tampa St. Currently, Long is the only Canopy employee but he expects to build out an advisory board over the next few months. He's responsible for deal origination and marketing, structuring and negotiating new investments and exits, portfolio company management, fundraising and investor relations.

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