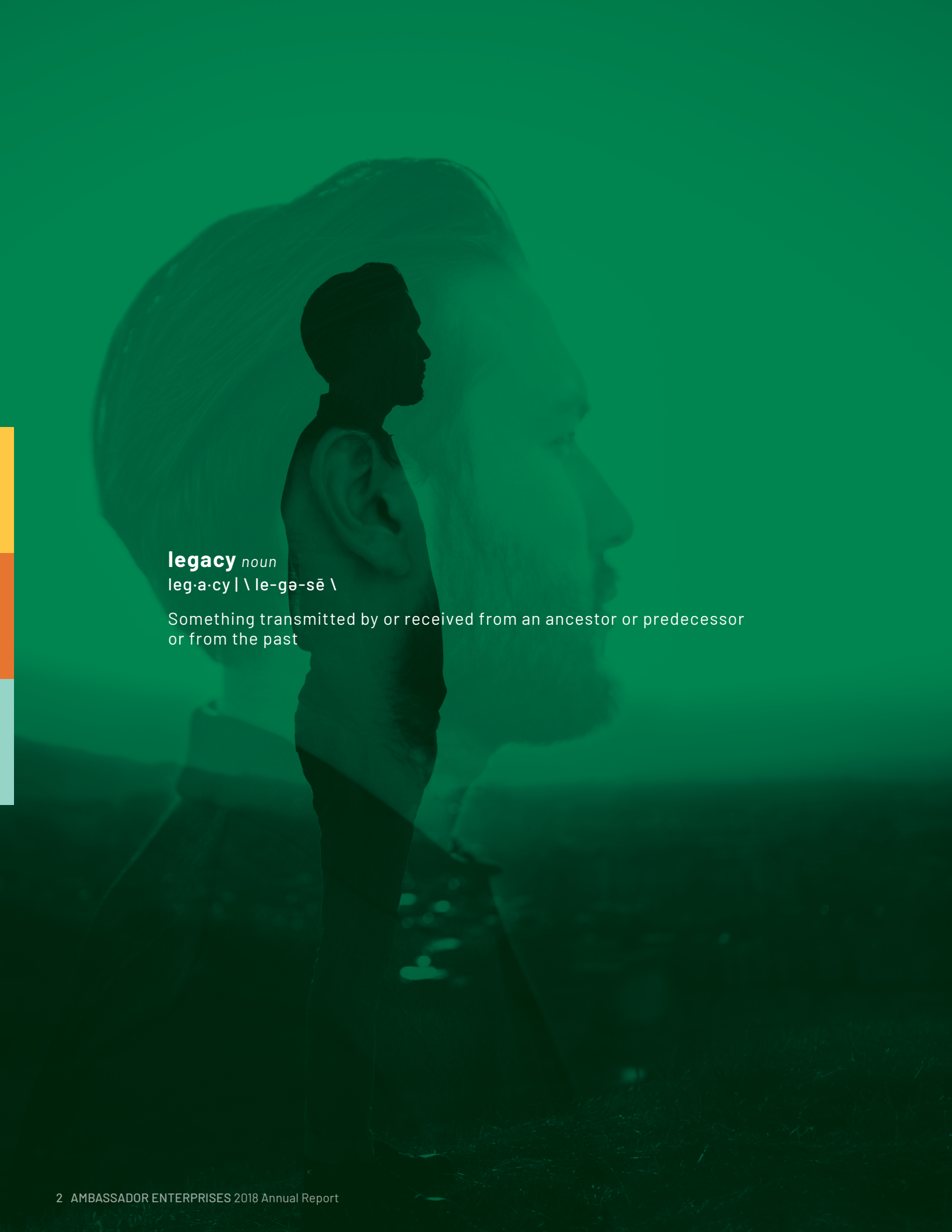


2018 ANNUAL REPORT

# The Next 100 Years

*The future is something which everyone reaches  
at the rate of 60 minutes an hour, whatever he does, whoever he is.*

— C. S. Lewis



**legacy** *noun*  
leg·a·cy | \ le-gə-sē \

Something transmitted by or received from an ancestor or predecessor or from the past

## Legacy is beyond any one of us. It's *multigenerational*.

Legacy is defined by more than one's wealth, power, or position. It's determined by the culture one builds, the lasting impact one makes, and the truths one shares that forge a better life for others. It's a reflection of one's authentic core, influence, and contributions that create a morally grounded, thriving, and productive society for future generations.

### We each leave a legacy.

We firmly believe in and focus on intentionally investing today so we impact future generations, both locally in Northeast Indiana and globally—it's our passion, responsibility, and privilege.

For Ambassador Enterprises (AE), our desired legacy is rooted in a 100-year vision of stewardship to ensure leadership succession, generational wealth transfer, and a continued ability to invest for the glory of God. It's a foundation for building a kingdom-minded, socially responsible, and financially sustainable organization that creates impact.

# 100 YEAR VISION

**Ambassador Enterprises' 100-Year Legacy Plan is a pioneering concept combining the innovation and sustainability of free enterprise with the impact and benefit of philanthropic investing, aimed at addressing systemic societal problems with sustainable strategic solutions.**

Planted in the heart of our founder Daryle Doden, the Legacy Plan is a strategic vision for building an investing infrastructure for three returns—building of God's kingdom, betterment of mankind, and financial sustainability. Those working on the plan operate for the present while continuing to build for the future.

With God's grace, we believe that effective planning, strategic adaptation, and multi-generational teamwork will position this vision to become a reality.

The Doden Legacy Trust, established in 2017, is pivotal in implementing and governing the Legacy Plan beyond our founder's lifetime. It is a wealth-transfer vehicle by which the long-term continuation of equity and impact investing continues.

*This means that anyone who belongs to Christ has become a new person. The old life is gone; a new life has begun! And all of this is a gift from God, who brought us back to himself through Christ. And God has given us this task of reconciling people to him. And he gave us this wonderful message of reconciliation. So we are Christ's ambassadors.*

2 CORINTHIANS 5:17-18

# Our vision is driven by our belief that **culture trumps strategy.**

Culture permeates everything we do—it's borne out of our identity. It extends to how we partner, developing relationships with impact-driven leaders. And it's reflected in the results we achieve together.

**AE is a workplace guided by truth and grace, with a conviction that the Bible is the blueprint for conducting our lives, relationships, and work.**

We aspire to create a high-trust, high-care, high-performance environment built with diverse teams of talented individuals who honor God, respect others, and work hard.

Collaborative partnering is our ideal, with two parties working together to share ideas and resources with the goal of co-creating something new that elevates everyone involved. Such partnerships are characterized by compatibility, alignment, and reciprocity, and a shared desire for access, influence, and accountability.

We're inspired by catalytic co-creation with impact-driven leaders, disciplined experimentation, and deployment of systemic solutions that better communities and create lasting impact. In so doing, we participate in the building of God's kingdom and the betterment of mankind while advancing financial sustainability for all stakeholders.

## culture

Trust  
Care  
Performance

## partnership

Compatibility  
Alignment  
Reciprocity

## impact

Kingdom  
Cultural  
Financial





Ambassador Enterprises started in 2006 with the intention to build God's kingdom, better mankind, and create financial sustainability.

I recently heard someone describe their personal progress as, ***"I'm not who I used to be, and I'm not yet who I will be."*** That reflective statement aptly expresses my thoughts on AE. I praise God for the growth we have experienced and the lessons we have learned along the way, while recognizing that in many respects, we are just getting started.

### **As a relatively young company, now is an important and exciting time in our history.**

In 2018, we had high points and low points, each of which we believe will be built upon in the years to come. Early in the year, we rebranded For Profit Investing to Ambassador Capital Group (ACG), and continued to progress toward our initial goal of having five growth platforms. Correct Craft added to its portfolio with an acquisition and had its eighth consecutive year of record earnings; Ambassador Supply made an acquisition and positioned itself for several more; Wagner-Meinert had another solid year of performance; Diakonia started weakly but had a strong second half; and several of our newer entities made marked progress.

Ambassador Impact Investing (Aii), the rebranded name for our nonprofit activities, narrowed its investing focus to Community Transformation and Education Innovation, and progressed with several initiatives in each of those areas, most notably in Early Childhood Development.

For every goal we meet, there are steps where lessons are learned. These experiences are an important part of the AE story. We remain committed to learning and serving our communities. As always, we measure the success of our investments against three returns — ***financial, cultural, and eternal***.

With gratitude,

A handwritten signature in black ink that reads "Arlan Friesen". The signature is fluid and cursive, with the first name being more prominent.

Arlan Friesen, President

**Ambassador Enterprises is a philanthropic equity firm investing for the glory of God—the building of His kingdom, the betterment of mankind, and financial sustainability.**

## We innovate to learn and grow.

In 2018, Ambassador Enterprises' For Profit Investing became **Ambassador Capital Group** (ACG). The new name reflects the group's desire to strengthen its identification and relational connection in the marketplace. Profitability remains a key objective, and ACG's aspiration lies in the success of each investment as measured against three returns — *financial, cultural, and eternal*.

**ACG is looking for legacy-minded owners and opportunities that create long-term impact for businesses, employees, and their communities.**

With the addition of new leadership in the past year, ACG has put a high priority on engaging directly with business and community leaders across Northeast Indiana. ACG's interests are best paired with business owners who have invested in their business for the long term, utilized their resources to solve systemic issues, and engaged in the communities in which they serve.

Nurturing any legacy investment for long-term impact demands commitment and strong partnerships. Compatibility, alignment, and value exchange are hallmarks that help ACG in developing productive relationships.

### AT A GLANCE

**45** **COMPANIES**  
UNDER MANAGEMENT

**\$650** **MILLION**  
ANNUAL REVENUE\*

**2,000** **EMPLOYEES**  
IN OUR AFFILIATE COMPANIES\*

### MARKETS TARGETED FOR INVESTMENTS

**BUILDING SUPPLY • ENGINEERING • HEALTHCARE • RECREATION • REAL ESTATE • TECHNOLOGY**



AT A GLANCE

**259**  
TOTAL EMPLOYEES

**\$68M**  
ANNUAL REVENUE

**152%**  
REVENUE GROWTH  
2017 – 2018

Covering Indiana, Ohio, and Michigan, the Ambassador Supply family of companies includes Country Metals, Granville Lumber Company, Qualiform Metals, Standale Home Studio, Standale Lumber, and Trusco. [AmbassadorSupply.com](http://AmbassadorSupply.com)

## "I CAN'T IMAGINE THAT THE TRANSITION COULD HAVE GONE MORE SMOOTHLY FOR OUR STAFF AND OUR CUSTOMERS"

—CLUTCH HOLTVLUWER, *Standale Lumber, on Ambassador Supply*

Ambassador Supply, an AE affiliate, invests in organizations within the building supply space whose collective goal is to transform the industry. Consisting of strategically aligned companies that provide products, solutions, and the highest-quality materials to professional contractors in the agricultural and residential building markets, Ambassador Supply works with its companies to build for the future.

In May 2018, Ambassador Supply embarked on a new partnership with Standale Lumber, a building materials solution provider specializing in the commercial, residential, and agricultural industries.

As a second-generation business, Standale sought a new owner who would steward its history and future. One of its biggest concerns prior to the acquisition was losing its family identity to a corporate culture. For Ambassador Supply, Standale was a fit because of its people. Also, the companies' common commitment to faith and its role in their businesses became a primary reason why

Standale chose Ambassador Supply to help lead its company into its next phase.

Looking ahead, technology and innovation are key investment areas for Ambassador Supply. It will also continue to diversify its portfolio to include builders, distributors, and innovative manufacturing technologies. As Ambassador Supply executes its growth plan through organic growth and future acquisitions, leadership will continue to refine its investment strategy and keep the momentum going.



At the end of 2018, Ambassador Enterprises formed SOLV Holdings, a privately held investment management company that invests in companies that engineer, design-build, control, service, and safeguard complex industrial systems. As business partners to the company leaders, SOLV Holdings' role is to optimize, grow, and integrate the companies' portfolios by offering guidance in the areas of vision, strategy, leadership, and operations.

**AFFILIATES:** Diakonia: Designed Conveyor Systems, Spring Automation, Talos Wagner-Meinert Engineering; Kelly Refrigeration, Wagner-Meinert Inc., Wagner-Meinert Properties.



AT A GLANCE

21.3%  
SALES GROWTH

1,400  
TOTAL EMPLOYEES

2,500  
VOLUNTEER HOURS

Since 1925, Correct Craft has been the world's leader in tournament, inboard, freshwater fish, utility, and recreational boats, as well as marine propulsion and watersports parks. Based in Florida, its family of companies includes Bass Cat, Bryant, Centurion, Nautique, SeaArk, Supreme, Yar-Craft, Pleasurecraft Engine Group, and Aktion Parks. [CorrectCraft.com](http://CorrectCraft.com)

## "STRONG CULTURE CREATES SUCCESS."

—BILL YEARGIN, CEO, *Correct Craft*

Company culture is the (not so) secret ingredient to Correct Craft's success. Founded in 1925, its marine business philosophy centers on people, performance, and philanthropy. This makes Ambassador Enterprises' partnership with Correct Craft a natural one.

Equally important to its identity, Correct Craft believes in being learners rather than knowers. This dedication to continuous improvement is one reason for the company's enduring success.

In 2018, the company experienced another record year financially, including acquiring Ingenity P220, an electric boat drive system, which strengthens Correct Craft by providing solutions beyond internal combustion engines.

The acquisition is the latest for Watershed Innovation, Correct Craft's technology investment initiative. Watershed identifies and monetizes global technology trends such as 3-D printing, robotics, virtual reality, and others while

applying these trends across Correct Craft's existing portfolio. Ideal partners are early stage, high-growth companies that align strategically with Correct Craft's technology objectives and culture, and innovate ahead of the global curve.

Financial success also strengthens Correct Craft's community outreach efforts. In 2018, 70 employees traveled to Jamaica for construction development work, with others serving in Puerto Rico and Florida to aid in the hurricane relief.

Looking ahead, Correct Craft's focus includes growing its portfolio of businesses, integrating innovative technology solutions, and continuing to pursue community outreach opportunities.

### MEND MEDICAL



In 2018, AE launched a new affiliate, Mend Medical, to identify and build solutions that will help heal the healthcare system. Mend Medical's approach aligns with Ambassador Enterprises' mission of solving systemic issues through innovation.

Mend Medical believes investor intent should evolve from pure profit-focused to a comprehensive system that recognizes the whole patient. Ultimately, successful healthcare companies of the future will earn reasonable profits by putting patients first, eliminating waste, changing corrupt incentives, and improving pricing transparency.

Mend Medical plans to expand its innovation incubator, Mend Labs. Companies within its portfolio will have access to advanced technology, rapid prototyping services, and computer design systems, along with experienced engineers and innovators. [MendMedical.com](http://MendMedical.com)





Early Learning Ministry, Auburn



As an Ambassador Enterprises affiliate, VIA Developments aims to bring a fresh perspective to real estate and is committed to vibrant projects that strengthen every community it serves. [VIADevelopments.com](http://VIADevelopments.com)

VIA Developments, an AE affiliate, was born from a vision to expand real estate activities from asset management to a three-return platform, producing financial, cultural, and eternal returns. As a result, VIA took on a new brand identity and evolved from AE's real estate division to become a brokerage, development, construction and design, and property management company.

In 2018, VIA adopted a three-prong strategy: source its own opportunities, develop properties, and manage properties with a "yes-first" customer focus, considering tenants as partners. The most compelling projects allow VIA to transform underutilized spaces into valuable assets that serve a community's needs.

2018 was a year of multiple acquisitions and sales activities that provided liquidity to Ambassador Enterprises.

VIA Developments aims to grow market awareness in Northeast Indiana, continue building its track record in development projects, and establish effective and efficient solutions for property management.

#### AT A GLANCE

**\$150M**

PROJECTS UNDER  
MANAGEMENT

**23** TOTAL  
PROPERTIES

**1,552,132**  
SQUARE FEET MANAGED

#### AMERICAN LANDMASTER



For more than 50 years, American LandMaster has manufactured and distributed on- and off-road UTVs, with over a million vehicles sold to date. American LandMaster UTVs and power sport vehicles are assembled locally and built tough to tackle any task and make the most of any property.

[AmericanLandmaster.com](http://AmericanLandmaster.com)

#### ATI CAPITAL



ATI Capital is a full-service software development firm that serves high-growth companies of all sizes. ATI partners with clients to build quality products and make lasting improvements to their business performance through exceptional process and development solutions.

[ATICapital.com](http://ATICapital.com)

## We invest to discover transformative solutions

Ambassador Enterprises' Non Profit Investing division also embraced a new name in 2018: **Ambassador Impact Investing (Aii)**. Aii catalyzes impact by investing in transformative and sustainable solutions to deep-rooted challenges facing communities.

**Treating the symptoms of a broken system is not enough. For Aii, lasting change starts with discovering solutions that improve a community's moral strength, relational teamwork, and productivity.**

Aii allocates resources where they are most needed, establishing a solution framework and encouraging other innovators to participate. 2018 was a year for focus in two lanes: Community Transformation and Education Innovation.

Community Transformation seeks to identify the core elements of a thriving community and to advance the development or acquisition of those elements through strategic partnerships and investments.

Education Innovation made great strides, continuing excellence at the Auburn early learning center, launching an e-learning assessment tool (EVOLVE), developing a trailblazing leadership development tool (iPath), and continuing to partner with regional teachers and schools through the Thriving Schools platform.

Aii provides multiple resources and educational expertise to for-profit and nonprofit organizations while continuously refining experiments and evaluating successes and lessons to improve program effectiveness.

### AT A GLANCE

**70 EVENT  
SPONSORSHIPS**

TOTALING

**\$300,000**

**\$2M** CAPITAL CAMPAIGN  
COMMITMENTS

## EDUCATION INNOVATION | Early Childhood Development

An important aspect of Aii's early childhood development initiative was investing resources that helped in the continued operation of Early Learning Ministry (ELM), an early learning childcare center located in DeKalb County that focuses on the development of the whole child while integrating a faith-based curriculum.

Ambassador Impact's future plans include launching an early childhood development brand to solidify its market presence in the region. These efforts will promote awareness and encourage other potential investors to expand the model to other communities.



**85%** OF A CHILD'S COGNITIVE DEVELOPMENT OCCURS BEFORE AGE 5

**159** CHILDREN CURRENTLY SERVED

## COMMUNITY TRANSFORMATION | 2018 Seed Challenge

Started in 2017, Aii's Strategic Empowerment and Enterprise Development (SEED) Challenge incentivizes nonprofit, for-profit, and government organizations to collaborate on developing innovative solutions that meet the needs of communities in Northeast Indiana.

For its second SEED Challenge (in 2018), Aii received 54 online applications and 35 formal proposals, exceeding Aii's goal. Seven teams were selected to pitch their projects in person to a panel of judges.

Aii awarded \$80,000 to NeighborLink Fort Wayne and PUNCH Films for their project, **Let Me Tell You a Story**, which will use technology and storytelling tools to promote neighborhood development. This initiative provides community residents with valuable digital media experience and help address one of the fundamental challenges identified in the symposiums.

A second \$80,000 award went to Lasting Change Inc., The Crossing, and Streamline Designs, LLC, for their **Next Generation Skills** program, which provides learning opportunities in drone repair for disadvantaged youth.



**Genesis Health Bar** from GiGi's Playhouse Fort Wayne and King Arthur's Trolley earned \$30,000 for its program providing culinary job training and opportunities for people with intellectual and developmental disabilities.

### INNOVATIVE EDUCATION INTERNATIONAL (IEI)

Innovative Education International (IEI) is an example of a successful venture launched by Ambassador Enterprises. Over a period of four years, AE invested \$1.5 million in IEI, helping the new organization incorporate, obtain its 501(c)(3) nonprofit status, establish a board of directors, write a strategic plan, and establish a viable budget and sustainable funding model.

IEI's subsidiary organization, Innovative Education Liberia (IEL), is running a thriving program in Liberia with nine full-time national staff. IEI's proprietary SmartBox "instant wireless classroom" is providing funding for the program. SmartBoxes have been deployed to eight countries, bringing educational opportunity to children in some of the neediest regions of the world.

*IEI is a nonprofit organization that provides sustainable education solutions for children in developing countries.*





*2018 was a year of growth and continued development of our 100-year vision as stewards of God's gifts for the building of His kingdom, betterment of mankind, and financial sustainability. As we look ahead, we'll continue investing in our communities while shepherding innovative companies who have a passion for creating lasting impact.*



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