



North Mill Capital's founders and management team have a strong history of working well together during their time at Business Alliance Capital Corp. With a core team in place, there was no better time than the present to start up.

Preparedness meets opportunity couldn't be more true for North Mill Capital (NMC), a Princeton, NJ-based asset-based lending company founded in November 2010. Despite the tough economic climate, the company's founders decided it was the perfect time and opportunity to start up.

Comprised of several veterans of Business Alliance Capital Corp. (BACC), a commercial finance company which was sold to Sovereign Bank in 2005, NMC's current management team consists of Jeff Goldrich, president, and a co-founder of BACC, Dan Tortoriello, EVP/COO, Stephen Carroll, EVP/CFO, Betty Freire, SVP/portfolio manager, Mike DellaBarca, SVP and Patti Kotusky, VP/operations manager.

NMC provides asset-based loans from \$200,000 to \$5 million to service companies, manufacturers and wholesale distributors. It finances accounts receivable, inventory and machinery and equipment. Monitor Clipper Partners is NMC's primary private equity backer and all members of NMC's management have a significant cash investment in NMC.

"It is unique that a management team in our business all decided to make this kind of equity investment," explained Jeff Goldrich. "Our history together, track record at BACC and our equity commitment to the business were the reasons we were able to raise substantial equity and get the support of five banks, agented by IDB Bank of New York. We all have another thing in common—Ted Kompa, the co-founder and president/CEO of BACC, and past CFA chairman—played a key role in all of our careers in asset-based lending."

NMC purchased a portfolio of loans from Summa Capital Corp. in New York City, which was started and owned by Howard Schulder more than 30 years ago. "The Schulder family has a long history in our industry," Goldrich explained. "Gibraltar Commercial Corp. was owned by Howard's father, Jack, and that was subsequently sold to United Jersey Bank. Howard Schulder, executive vice president at NMC, Amy Kazanoff, NMC's general counsel, and Barry Schneck, salesperson for the Tri-State area, all formerly with Summa, have joined NMC. Additionally, Barry Yelton, another BACC vet, was hired to represent NMC in the Southeast.

"This was a good time to start NMC because the team was highly motivated and ready to invest," Goldrich said. "The opportunity to buy the Summa portfolio was now. It was an excellent portfolio in all respects and provided us with a good platform to launch a larger business. While NMC has formidable competitors, there is far less competition than in prior years."

With a strong team in place, North Mill met with many private equity firms throughout 2010 in an effort to find one that had an interest in asset-based lending that, as Goldrich explained, went beyond just an insatiable appetite for growth.

"We needed to find an equity partner who had an appreciation for safe, controlled growth and understood that we were not going to manage to the plan but rather to the current conditions and result-

ing deal flow."

NMC found that with Cambridge, MA-based Monitor Clipper Partners, LLC and ALDA Capital Holdings, LLC, headquartered in New York, NY.

"The fact that we worked together and knew each other for so long gave each of us confidence that we could get this done," Goldrich said. "On days when we suffered setbacks, and there were many, there was always someone in the group who would get us back on track.

"Furthermore, Tim Stute of Milestone Advisors LLC played an integral role in introducing us to potential investors. He may not know this, but one of Tim's most significant accomplishments was keeping the founding management group optimistic about our prospects for getting this done at a time when many people were telling us that, given the economic climate, we would not be able to ultimately raise either the equity or arrange the needed leverage. There is no question that this was probably the worst time to do either. I am convinced that we were successful due to Milestone's help, a totally committed management team and the support of IDB Bank, who provided a syndicated revolving credit facility."

NMC plans to build on its acquired portfolio and has added several new clients. "We will continue to deepen our presence in the New Jersey/Delaware Valley/Northeastern Pennsylvania regions, in addition to New England," Goldrich added. "With the same core management group working well together for all these years, there is no point in stopping." **TSL**

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