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DCA Partners moves executives into management roles

New program targets midsize businesses for consultation, help with mergers or expansions

Roseville's DCA Partners has compiled a dream team of veteran executives to offer companies high-level support.

The new Professionals in Residence program at DCA can put one of at least eight veteran executives into a company for anything ranging from a simple consultation to interim management.

It is a new line of work for DCA, which manages mergers, acquisitions and DCA Capital, a private equity fund.

Business owners and executives are focused on day-to-day operations and often don't have the time or experience to deal with problems, mergers, credit issues or even merger opportunities, said Curt Rocca, managing partner of DCA Partners.

"There is no place for them to go for advice," said Rocca, who's watched the business community struggle over the past few years. "There are a lot of family-owned businesses and a lot of new businesses that don't know how to go through a time like this."

An adviser can be particularly helpful when a business is trying to obtain financing.

"We can make the lender comfortable that the appropriate attention is being paid," Rocca said.

DCA is targeting mid-market companies with annual revenue between \$10 million and \$200 million. That includes a wide swath of businesses that have limited places to turn to for support, said Roger Akers, managing partner of Akers Capital LLC and one of the veterans for hire.

"There is a real gap" for businesses who need advice, Akers said. Lawyers and accountants try to provide support, but "their bandwidth to address these kinds of issues is just inadequate."

Large private equity and venture capital companies have a stable of executives and troubleshooters they assign to companies, which is what DCA is offering, said Todd Johnson, a turnaround expert and executive of six tech companies. He is completing a stint as interim executive of Accelrys Inc., a San Diego science software company.

Having a roster of executives that can be put into a company at a moment's notice is something venture capital firms do, said Peter Bernardoni, managing director of Wavepoint Ventures. Although he's only tangentially aware of DCA's new program, "if they see a need there, it's probably there."

Most midsize companies get consultation from attorneys or accountants, said Steve Mills, partner in DCA.

"What we are endeavoring to do is put people who have run businesses — who have run divisions," he said. "People who have made the hard decisions and implemented them."

DCA will get paid in cash and perhaps equity from the companies it helps. There will almost always be some cash payment involved, but equity lets the business know that the consulting help is absolutely committed to the success of the company, Rocca said.

“We put our money where our mouth is,” he said. “We always align our interests with that of our clients.”

Businesses currently need consultants to help them contract their operations, survive the recession and negotiate financing, Rocca said. But there will be plenty of growth and merger opportunities when the economy starts growing again, he added.

For instance, many businesses don't have the expertise to capitalize on opportunities that drop in their laps, Rocca said. He also cited opportunities in second- and third-generation businesses in which the owner has most of his or her net worth tied up but needs management or expansion help.

Leaders of companies have to deal with the day-to-day issues of a company, and so out-of-the-ordinary work can be a detriment to the business, said Jay Hunt, a veteran turnaround specialist and one of DCA's consultants.

Executives who have seen several economic cycles can help businesses “avoid the costly mistakes of not having the experience,” said Gabe Nacht, a veteran financial officer and another consultant.

The idea of harnessing executive talent for midsize businesses could become a big business for DCA because there is so much need, Rocca said.

“We want to prove it out locally, and then ultimately this has significant potential for growth,” he added.

Professionals in Residence

- **Roger Akers**, founder and chief executive of Pro-Data Inc., managing partner of Akers Capital LLC venture fund, founding member of Sacramento Area Regional Technology Alliance
- **Roger Dell**, head of business development for Citigroup's consumer bank in Asia-Pacific region, director at GE Capital's equity arm and trained mechanical engineer
- **Jay Hunt**, senior-level banker, chairman of DDi Corp., advisory board with Joie de Vivre Hospitality
- **Todd Johnson**, interim president of Accelrys Inc., veteran of Silicon Graphics in the 1990s, senior executive of two Silicon Valley technology companies
- **John Maloney**, senior executive with 30 years of experience in distribution, helped in management buyout of Eastman Inc., which was sold to Office Depot for \$242 million
- **Gabe Nacht**, former senior vice president of Bustos Media LLP, senior vice president and CFO of Meridian Systems Inc. and veteran of 30 acquisitions
- **Trevor Sanders**, franchisor of 23 Jamba Juice stores, founder of a construction company and partner in a restaurant
- **Dave Zabrowski**, president of Granite Technology LLC growth advisory firm, former president of Neterion networking company and former general manager of Hewlett-Packard Co.'s domestic computer organization

