

Firm with Louisville ties invests in Florida company



BY ED GREEN
BUSINESS FIRST STAFF WRITER

Business: Business brokerage and equity firm that provides institutional finance, merger and acquisition, and advisory services

Top officials: Les O'Nan, president and CEO; Michael Pitino, founding partner and chief operating officer

Offices: Louisville; Grand Rapids, Mich.; Boca Raton, Fla.

Local office: 9505 Williamsburg Plaza

Recent investment: 45 percent share of Empower Benefits LLC, a Naples, Fla.-based outsourcing company formed in January

Web site: www.alliancegrponline.com

Alliance Group Inc., a business brokerage and investment firm founded in Louisville, has made its first equity investment.

The firm, now based in Grand Rapids, Mich., also is considering several additional investments, including some in the Louisville area, said Michael Pitino, chief operating officer for the company.

Alliance, which is led by Louisville native Les O'Nan and Pitino, son of University of Louisville men's basketball coach Rick Pitino, has purchased a 45 percent share of Empower Benefits LLC, of Naples, Fla., for an undisclosed amount.

The investment was made by a group

of eight investors that includes O'Nan, who is president and CEO of Alliance Group, and Michael Pitino, who works in the firm's Louisville office, located in Williamsburg Plaza office park.

Pitino declined to identify the other investors, but he said they are from other areas of the country.

Empower Benefits is a Naples, Fla.-based group-benefits company that provides large employers with payroll-deduction services and access to discounted purchases for employees.

Officials with the company could not be reached for comment.

O'Nan said the investment in Empower was based primarily on the strength of the management team.

He added that "we believe employee-benefits solutions over the next decade will be a tremendous growth opportunity."

Firm's headquarters expected to return to Louisville

Pitino and O'Nan founded Alliance Group in Louisville about 18 months ago.

Since then, O'Nan has moved to Grand Rapids, Mich., where he is CEO of Decorative Components Inc., a company that manufactures metal parts and accessories for various industries.

Alliance Group's headquarters followed O'Nan to Grand Rapids. But O'Nan said he expects the company's headquarters to relocate to Louisville within about two years when O'Nan expects to leave the manufacturing company.

Alliance Group also has an office in Boca Raton, Fla.

Pitino, who serves on the board of directors of Empower Benefits, said the Empower investment is the first of several the Alliance Group plans to make in the near term in companies that need financing.

Alliance looks to make investments of \$100,000 to \$5 million.

The firm also offers mezzanine loans, which are secured by shares in a company.

Investments complement brokerage business

Alliance also provides business brokerage services, representing about 100 private-equity firms located primarily in the Northeast and on the West Coast, Pitino said.

The investment side of the business was added during the past year to complement the brokerage services.

The funding from the Alliance investors, as well as its advisory services, are intended to help early-stage companies prepare to seek investment from the equity firms that his company represents, Pitino said.

"Because we do look to get on the boards, we do get management fees" from the investments, he said.

"But, also, we look to grow the business and, hopefully, in an ideal situation, sell them off to one of the private-equity firms that we represent," Pitino said.

Pitino declined to say how much the partners are able to invest, adding that he and O'Nan are responsible for bringing any investment opportunities to the group.

All of the partners must agree on the investments, Pitino said. "We look for a strong management team. And we look for an industry that we are somewhat familiar with."

Contact the writer via e-mail at EGREEN@BIZJOURNALS.COM.



Tips from the pros

With Kenny Perry, 2004 Ryder Cup Member and nine-time PGA TOUR Winner – Presented by The Underwriters Group

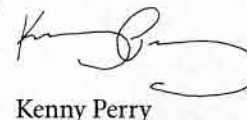


Don't Sweat The Short Ones

Even pros miss the occasional short putt (3 to 5 feet), and missing several during the course of a round can really affect your score – not to mention your disposition. It's easy to 'tense-up' on the short ones and forget the fundamentals. Resist the temptation to look up on your putting stroke. On short putts I stay still, focus, and keep my head down. I don't look up at the hole until I hear the ball hit the bottom of the cup. Think firm and straight – and don't 'peek.' Practice it."

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