

EXCLUSIVE: Cincinnati entrepreneur launches investment firm

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Bill Goldberg has been a Cincinnati entrepreneur and an executive with a huge marketing company. Now he wants to use his decades of experience to help owners of smaller companies with succession planning and eventually selling their companies.

Goldberg has launched W. Alexander Group, a private investment firm that helps companies improve their operations.

"I really became enamored with companies from \$3 million to \$15 million in annual revenues," Goldberg, the firm's managing principal, told me in an exclusive interview. "I felt I could help them more. There's a lot of low-hanging fruit there and you can help them quicker."

Goldberg, 60, was an executive with direct marketing firm Harte Hanks for more than two decades, most of that time based in Cincinnati. After he left in 2008, he bought into and ran [Healthcare Regional Marketing](#), a Clermont County-based firm that developed marketing campaigns for pharmaceutical and biotech companies. That firm [merged with a Florida health care marketing firm in 2015](#) to form Relevate Health Group.

Goldberg was CEO but stepped down this year after the firm was recapitalized to start W. Alexander Group, he said.

He has three partners working with him, including [Michael Graham](#), who was COO of Cincinnati real estate software startup Dotloop, former global president and COO of digital marketing agency Possible and a Procter & Gamble executive before joining W. Alexander Group.

W. Alexander Group aims to work with company owners who don't have someone in the next generation to pass their company along to and are hesitant to sell it outright. Its people work with the owner to improve operations, often by improving efficiencies. That drives up the value of the company.

"All of us have run companies," Goldberg said of his team. "We get the people part and the team-building part."

W. Alexander Group won't take a majority stake in the companies it works with, unlike most private equity investments.

The firm's stake varies according to how much it's able to increase the value of the company. In a typical deal, the business owner might keep half to three-fourths of the original company valuation in a typical deal. W. Alexander Group might split the remaining valuation 50-50 with the business owner. As it helps build value, its stake becomes worth more.

It prefers to work with business-to-business companies in that \$3 million to \$15 million revenue range and at least \$600,000 in annual profit. It looks for owners who want to stay with the company and expand it, with plans to potentially sell the company in three to seven years.

"A lot of businesses never sell, and the reasons are almost all grouped into an emotional bucket," Goldberg said. "They put themselves, their spouse, employees and vendors at risk."

Goldberg's firm is different than what most private equity firms and investment banks do, Jeremy Hayden, mergers and acquisitions partner with downtown-based law firm Frost Brown Todd, told me. It fills the in-between space before an owner has definitively decided to sell its business or take on a majority investor.

"It's a good option for a privately held, family-owned business that's not ready for investment bankers," Hayden said. "(Goldberg's firm) will see how they can fine-tune things to create a better business."

Leo Whitt, Cincinnati-based managing director of Hilliard Lyons' investment banking business, said several businesses are launching to help owners of small and midsize companies transition ownership.

"There are all kinds of specialty firms popping up, and there is a need for that," Whitt said.



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Bill Goldberg is founder and managing principal of investment firm W. Alexander Group.