

Delancy Street Partners signs SkillSurvey as a client

PETER KEY
STAFF WRITER

WAYNE — An investment bank formed by three longtime financial-services executives has landed its first area client.

Delancy Street Partners LLC has been retained to be the strategic adviser to SkillSurvey Inc., a Wayne provider of Web-based software used by human-resources professionals to evaluate the feedback provided by job candidates' references.

SkillSurvey didn't sign its agreement with Delancy Street because it anticipates doing any deals, which is typically why businesses retain investment banks. Instead, SkillSurvey's CEO, Ray Bixler, wanted one of Delancy Street's founders, Bill Filip, to work with his company as a special adviser.

"Our target audience are human-resources leaders and Bill's got a tremendous amount of experience understanding that market," Bixler said.

Delancy Street's arrangement with SkillSurvey, the financial details of which neither company would disclose, would be unusual for many investment banks. But while Delancy Street gladly will take on clients looking to raise money, be bought or go public in the short term, its founders think their willingness to sign on to long-term advisory relationships with growing companies is what sets it apart.

"We have clients, not transactions," said Andrew Schmucker, who started Delancy Street with Filip and Patrick Dolan. "We want to be there to help the client all the way through the life cycle."

According to a flow chart put together by Delancy Street, that life cycle begins with advice, then flows into helping companies raise growth capital, do acquisitions, possibly recapitalize and finally sell all or parts of themselves.

In addition to getting fees for its work, Delancy Street sometimes will take equity stakes in the companies it advises, either in lieu of fees or by investing its own money in them, which it calls merchant banking.

That willingness to get involved with companies at such an early stage is one thing that sets the firm apart, said Thomas Dwyer, a partner with Center City law firm Blank Rome.

Another is that Delancy Street focuses on specific industries due to the expertise of Filip, who is knowledgeable in business, technology and health-care services, and Dolan, whose background is in industrial companies and technology.

"I think the way they're approaching [investment banking] is unique," Dwyer said.

Delancy Street will work with large companies as well as small ones. It acted as the financial adviser to an independent committee of The GEO Group



From left: Andrew Schmucker, Bill Filip and Patrick Dolan.

Inc.'s board of directors that evaluated the Boca Raton, Fla., prison operator's spin off of its GEO Care Inc. subsidiary to GEO and GEO Care managers, which closed at the end of last year.

The many years of experience of its founders should enable it to do more deals outside the area as well as locally, Dwyer said.

"They're going to have connections all over the country based on the people that they've worked with over the years," he said.

Schmucker has 25-years experience, including the three immediately prior to forming Delancy Street last year as the head of investment banking at Jan-

ney Montgomery Scott LLC, which is based in Center City.

Filip has 23-years experience, including 11 with Baird Venture Partners, a unit of Milwaukee-based Robert W. Baird & Co. that he co-founded.

Dolan is the junior member of the group, with only 18-years experience, including seven as a managing director of investment banking with St. Louis-based Stifel Nicolaus. He and Filip have MBAs from the University of Pennsylvania's Wharton School of Business and Schmucker has a BS from Wharton and a BA from Penn.