From our President:

There have been many books written by deeper thinkers than me about the topic of leadership. As we are all painfully aware, organizational leaders have all been tarnished by the well publicized scandals and leadership failures at Enron, WorldCom, Adelphia, Tyco and many other large businesses. I have heard scholars and the press make the argument that business leaders have lower ethical standards today than their predecessors. Although I have certainly met (and worked for) a few ethically challenged people, the vast majority of people I meet and work with have solid ethical standards.

So you guessed it, I will use my column this newsletter to talk about leadership.

Leadership

There is no universally agreed definition of leadership. There is no general agreement whether leaders are born or developed or some combination of each. What is clear is that in business, it is the ethics of a leader that sets the tone for the entire organization.

My best friend, Joe, is a vice president of human resources for a large company. Joe and I have debated leadership and management topics for decades. Several years ago Joe was telling me about what a great leader he had for a boss. He raved about this guy and the accomplishments of his business unit. Joe had been quite critical of most every other of his managers, so I was intrigued and wanted to know why.

I figured Joe would know straight away why his boss was such a great leader. To my amazement, he not only didn’t know but he said he hadn’t even thought about the issue.

About a week later, Joe called me up and said he had been obsessed the past week trying to understand why his boss was such a great leader. Joe said he was surprised at how simple, he concluded, the answer was, and thought I would be surprised as well.

As Joe explained it, the superb leadership of his boss seemed to revolve around two key traits:

1. The “Great Leader” could effectively communicate with people at all levels in the organization
2. The “Great Leader” always focused his management team on a very short list of highest impact tasks

The ability to communicate with people is obviously critical to effective leadership. However, what is less obvious is that a great leader needs to communicate effectively to everyone in the organization to get their help and support. Joe’s boss had the unique skill of being able to communicate effectively with people on the production line, middle-managers, his staff, his peers, his boss and the board effectively. By the way, communications means to talk and listen. The listening part is the hard one.

Continued on page 22
Upcoming Events

July 28, 2005
Women’s Group “Fashion Focus”
Saks Fifth Avenue

August 19, 2005
Body of Knowledge Series
Accounting Review Class
Gardner Carton & Douglas

September 9, 2005 - 7:30 a.m.
Breakfast Forum
The Mid-Day Club

September 10, 2005
ALS Walk
Chicago

September 12-13, 2005
“The New Bankruptcy Code and Rules: Anticipating and Solving Problems”
The Standard Club
Please see p. 15 for more information

September 16, 2005
Body of Knowledge Series
Management Review Class
Gardner Carton & Douglas

September 28, 2005
Milwaukee Brewers Game
Miller Stadium

October 18-21, 2005
TMA National Conference
Chicago
Please see p. 10 for more information

For more information about any of these upcoming events, please call 815-469-2935.

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Drew Cardonick, 312-201-3921
Joanne Chamberlain, 312-946-2096
Patricia Wu, 847-444-1400

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847-313-4738

Suzanne Palmer
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312-904-7672

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When it Rains, it Pours

By Tom Pabst, Great American Group

Tuesday, May 19 brought out a huge crowd to the East Bank Club to hear 11 panelists and three moderators impart their wisdom on TMA members in effort to teach them how to “make it rain.” The leaders at generating business in their respective fields took time out of their busy calendars, and our membership showed up in droves to listen.

The first panel consisted of Michael Solow of Kay Scholer, Marc Kieselstein of Kirkland & Ellis, Keith Shapiro of Greenberg Traurig and Seth Jacobson of Skadden, Arps, Slate, Meagher & Flom, and was moderated by Frank Mack of Conway MacKenzie & Dunleavy. The “legal panel” made it clear that reciprocation is one key to generating business on a consistent basis, as one deal begets another, and that surrounding yourself with great people and a strong team is the key to winning a “pitch.” The second panel consisted of Gail Bernstein of PNC Business Credit, Ira Kreft of Bank of America and Ted Koenig of Monroe Capital, and was moderated by Jim Shein of McDermott, Will & Emery. The “lender panel” implored the audience to “learn how to listen” and pointed out that the key to making a deal happen is “great follow up” – which at times can be very difficult to make happen in the busy world we operate in. The final panel of the day included Tom Allison of Huron Consulting Group, Melissa Kibler-Knoll of Mesirow Financial Consulting, Jerry Buccino of Buccino & Associates and Mike Silverman of Silverman Consulting, and was moderated by Mark Berkoff of DLA Piper Rudnick Gray Cary. The “turnaround panel” made it clear that you really have to be very intelligent about your product and industry expertise in order to make a lasting impression, and that you should never oversell, just “sell what you know.”

These are just a few of the many insightful thoughts that the distinguished panelists provided the audience. Many of the concepts, however, were very consistent through all three panels. The main ones this writer took away during the day were that marketing, networking and rainmaking is very hard work, and in order to be good at it, you have to make the effort. Finding the balance between making it rain and actually doing the work is something that is not easy to achieve, but is absolute necessary. If you are not at the top of your game and perform with a constant degree of excellence, all the marketing in the world will not help you in the long run. A limited number of contacts in your network will provide most of the value to your practice – always work on the top tier of your network and add value to their profession and career as well. Finally, these same principals hold true for small and larger firms alike.

I thought Mark Berkoff summarized things very well for the group: “There is no magic formula. The important lesson to take from today is to play to your strengths. If you have a customer that doesn’t play golf, do not take him golfing. If you do not play golf, do not use your marketing energy/resources setting up golf outings. Use your common sense. Target the right audience to market. We all have limited marketing budgets and limited amounts of time and money with which to market. Therefore, it is imperative that we use our time and money wisely. It is important to think about the proper target audience and develop a plan before you begin to actively market. Rainmakers are not all about flash, pizzazz and salesmanship. There is no substitute for hard work, intellectual and professional integrity and a reputation well earned as a professional who renders outstanding services on a consistent basis.”

So, if you want to make rain, start with the drizzle, move to the rain showers and end up with the thunderstorm. Thanks to all the panel members and moderators for a great day of insight and learning. Thanks also to Suzanne Koenig of SAK Management Services for setting up this outstanding event. Somebody better build the ark, as the Chicago/Midwest chapter of the TMA is going to need one.
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Automotive Woes Featured at Recent Breakfast Panel

By Anne Sherry, Goldberg Kohn

Breakfast Forums continue to be the Chicago/Midwest Chapter’s most successful programs, and for good reason: With a 7:30 breakfast and 8:15 start, participants can get still get to their desks at a decent hour having learned about a restructuring topic that’s on the cutting edge. Case in point: Shortly after General Motors announced its struggles, participants at the May 13 Breakfast Forum heard from a panel of professionals about the mechanics of automotive industry restructurings. Michael Small (Foley & Lardner), Robert Caruso (FTI Consulting), Andrew Petryk (Brown Gibbons Lang & Company), Frank Mack (Conway, MacKenzie, & Dunleavy), Peter York (Chase) and moderator Carl Lane (Deloitte Financial Advisory Services LLP) discussed recent trends in the U.S. automotive industry, competition from international firms and possible solutions for failing automotive suppliers.

Thanks, as always, to our Breakfast Forum Committee for hosting a slate of successful programs and interesting topics: Kevin Krakora of Mesirow Financial Consulting, Carl Lane of Deloitte and Tom Pabst of Great American Group.
TMA Parties at Summerfest

By Patty Wu, Great American Group

Every summer, in true Milwaukee tradition, Summerfest comes to town, and this summer was no exception! On Wednesday, July 6, 2005, our TMA chapter hosted the largest event yet at Summerfest. Members and guests enjoyed a complete buffet dinner and an array of beverages all enclosed in our own private tent. Plus, the non-stop live entertainment on 12 stages featured music from all genres including country, rock, R&B, blues and much more. Thank you to our Milwaukee Program Committee, including Mike Colloton of First Business Capital Corp, Jeff Hyland of Fort Dearborn Partners, Phil Ostroski of Associated Commercial Finance and Dan Quirk AccuVall Associates, for organizing a spectacular event and showing the Chicagoans a great time in Milwaukee.

Above: Event organizers Jeff Hyland, Michael Colloton, Dan Quirk and Philip Ostroski welcomed everyone to Milwaukee.

Right: Alex Sutton and Chuck Seeley enjoyed the local beverage of choice: beer.

Photos by Linda Jacobs, Alert Consultants, Inc.
Meet the Women of the TMA

By Patty Wu, Great American Group

On Monday, June 13, 2005, the women of TMA met for their regular luncheon; however, this time there was no agenda! Imagine having lunch with professional friends and acquaintances and enjoying each other's company without any distractions. TMA members and guest attendees must have relished the idea because the turnout was one of the largest yet for our annual series of women's luncheons. This special “no agenda” lunch may just have to be a regular occurrence on the event calendar. Special thanks to Gardner Carton & Douglas for hosting the luncheon and the Women’s Committee co-chairs – Amy Lynne Long of Hilco Appraisal Services, Suzanne Palmer of LaSalle Business Credit and Susan Barnes de Resendiz of Gardner, Carton & Douglas – for realizing the need to eat, relax, and enjoy our group.

Billiards Event another Great Outing

By Anne Sherry, Goldberg Kohn

Our TMA chapter continues to attract a diverse crowd with events designed equally for fun and networking. This year’s repertoire has included the debut of not only the Texas Holdem outing, but also another new activity: billiards.

Established members and newer friends alike gathered at GCue Billiards on Morgan Street May 5 as the TMA had reserved a private room to facilitate mingling and conversation, with nary a pool shark in attendance. The pre-event pamphlet had promised, “You don’t have to know how to play pool to attend,” and that proved to be true. A full menu of delicious food and beverages provided energy to the players.

Thanks to the Entertainment Committee, including Kim Metzer, Suzanne Koenig and Bill Reimnitz, for organizing yet another fabulous event.

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Joint Chicago - St. Louis Texas Holdem Event a Success

By Paul E. Krantz, GMAC Commercial Finance LLC

On June 8, the Chicago TMA Inter-Chapter/Inter-Association Committee held its first TMA Chicago - St. Louis joint function: a Texas Holdem Tournament at the Ritz Carlton in Clayton, MO.

This function was a first class affair and was well attended with 47 participants, both members and guests. It was structured with two-45 minute sessions at five tables, followed by a table of the top 10 players. The last five players remaining were winners of 11.5g Clay Texas Holdem Chip Sets.

The Chicago Inter-Chapter Committee presented the idea of this event to St. Louis and formed a sub-committee who volunteered as the five dealers. Those dealers were: Charles Gerlach, Siemens Financial Services; Gordon Holtby, Healthcare Business Credit; Paul Krantz, GMAC Commercial Finance LLC; Mark Leipold, Gould & Ratner; and Frank Melazzo, Getzler Henrich & Associates.

The St. Louis sub-committee managed all the details and was led jointly by Nick Franke, Spencer Fane Britt Browne LLP, and Paul Porter, Focus Management, plus a team of six.

Winners of first through fifth places include: Wendi Alper-Pressman, Gallop, Johnson & Newman LC; Lucas Poelker, RBG & Co.; Haren Buch, Harris Nesbitt; Mike Becker, Wagenfeld Levine; and Jack Clifford, Fifth Third Bank. The winner, Wendi, did go to Howard Lederer’s Poker Camp with her husband (who finished in 23rd place). As Phil Renwick of Textron Financial stated, “Watch out for women in sunglasses.”

The event ended on time at 11:00 p.m., as the out-of-towners enjoyed the atmosphere of the Ritz lounge. Andrew Chidester of Duff & Phelps LLC stated, “I was very impressed with how well turnaround professionals competed in a ‘healthy’ poker tournament.”

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As if the benefit of joining the high ranks of current CTP members were not enough, as a member of the TMA you have the opportunity to network with other industry professionals and to participate in conferences and programs that further educate you on the current happenings in the turnaround community.

For more information, please contact Nicole Gibby at (312) 578-6900.

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Awards Committee Seeks Nominations

By Kelly Frank, Auction Services Group

The Chapter’s Awards Committee, co-chaired by Kelly Frank of Auction Services Group and Colleen Lowmiller of FTI Consulting Inc. has announced its awards categories for 2005. Nominations are currently being solicited in the following categories:

- Turnaround of the Year (Large Company)
- Turnaround of the Year (Small Company)
- Transaction of The Year (2nd Year of Award)
- Harry Preucil Pro Bono Award
- Outstanding Service Award
- Top Educator of the Year
- Most Active New Chapter Member
- Outstanding Corporate Renewal Award (This is a new award this year established to recognize a corporation or organization, which has benefited by the corporate renewal process over time and has successfully increased corporate/organizational value in the process)

Entrants can be self-nominated or nominated by other chapter members. Nominations must be in writing, and all nominations are due no later that August 15, 2005. Finalists for Turnaround of the Year may be invited (but not required) to make an oral presentation to the committee.

Nominees for Turnaround of the Year, Transaction of the Year and Pro Bono Project of the Year may be individuals or teams led by a practitioner that contributed to a successful turnaround or transaction. “Large companies” will generally be those with revenues in excess of $50 million; however, the committee will ultimately classify nominations in order to provide the fairest comparisons among nominees.

The Outstanding Corporate Renewal Award was created to honor the most compelling story of enhancing corporate value through the turnaround process. In this category, we annually honor one company (organization) that has been able to successfully implemented corporate renewal strategies and tactics. The executive team does not necessarily have to be members of the Turnaround Management Association. The execution of financial, strategic and operational remedies will be considered, as well as the evaluation criteria of the outcome. These could include the number of jobs saved, the amount of creditor recoveries or the company’s current strategic or marketing position. The corporate renewal/turnaround will be viewed by its multi-year change in performance. The award is presented to the highest-ranking officer or director of the recipient firm in the name of the company.

The committee has attempted to streamline the chapter’s awards process to align it more closely with the nominations process for awards presented by International TMA. The committee encourages all entrants to submit nominations both at the chapter and the international level. Chapter nominations may be free form or submitted on the international TMA nomination form, which can be obtained on the website at www.turnaround.org under the “About TMA” banner in the “Awards /Competitions” pull-down menu.

For further information on chapter awards and nominations, contact Kelly Frank at (312) 223-8324, Colleen Lowmiller at (312) 252-9343, or Chris Glatz, chapter administrator, at (815) 469-2935.
On June 22, 2005, the Chicago/Midwest TMA Chapter hosted its 5th Annual Charity Golf Outing. With sparkling blue skies, unlimited sun and a roving wind, more than 250 golfers made the short trek to Harborside International Golf Center in Chicago — once again, an incredible turnout for an event that is always well attended. In fact, not only did the TMA expand to cover two courses this year, but both were sell-outs!

After checking in and collecting a variety of giveaways, players had the option of purchasing Mulligans, free throws, cigars and other tools for the course with all proceeds benefitting charities. Each course also featured a Lexus three-year lease giveaway — the only caveat being a $10 charitable donation and a subsequent hole-in-one shot. While no one was successful this year, we're hopeful McGrath Lexus of Chicago will be generous enough to offer this opportunity again in the future.

The golfers played a best-ball tournament on each course in groups ranging between three and five players. Arnie Dratt, Norm Newman, Brian Smith and Andrew Turnbull shot an amazing 57 to take the Port Course tournament while Ray Anderson, Duncan Bourne, Thomas Thompson and Leroy Irvin tallied a 59 to win the Starboard Course tournament.

Following the outing, the golfers were treated to an open scramble. winners (Port) – Score: 57

1. Arnold Dratt
2. Norman Newman
3. Brian Smith
4. Andrew Turnbull

Scramble Winners (Starboard) – Score: 59

1. Ray Anderson
2. Duncan Bourne
3. Thomas Thompson
4. Leroy Irvin

Photos by Chris Glatz and Kim Metzner
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<td>Morris Anderson</td>
<td>4 rooftop tickets, Cubs, July 1st</td>
</tr>
<tr>
<td>Atlas partners</td>
<td>4 Bulls Tickets with parking pass</td>
</tr>
<tr>
<td>Bekins</td>
<td>2 tickets “Little Shop of Horrors”</td>
</tr>
<tr>
<td>Textron</td>
<td>Callaway Golf Putter</td>
</tr>
<tr>
<td>Lake Pointe</td>
<td>One Brick of Money</td>
</tr>
<tr>
<td>Make-A-Wish</td>
<td>1 overnight stay-AmeriSuites-Hoffman Estates</td>
</tr>
<tr>
<td>Piper Rudnick</td>
<td>4 Cubs tickets</td>
</tr>
<tr>
<td>Huron Consulting</td>
<td>Threesome @ Beverly Country Club with lunch-starting bid $500</td>
</tr>
<tr>
<td>Wells Fargo</td>
<td>4 DePaul Basketball tickets</td>
</tr>
<tr>
<td>Children's Memorial</td>
<td>Bowling pin signed by baseball celebrities</td>
</tr>
<tr>
<td>TeamWork Tech</td>
<td>Dance Lessons from Arthur Murray</td>
</tr>
<tr>
<td>Lexus</td>
<td>Golf Bag</td>
</tr>
<tr>
<td>CIT</td>
<td>$200 gift certificate to Gibson's</td>
</tr>
<tr>
<td>Buccino &amp; Associates</td>
<td>4 $25.00 gift cert. to Rivers Restaurant</td>
</tr>
</tbody>
</table>

The Make-a-Wish Connection

By Joanne Chamberlain, Deloitte

On Wednesday, June 22, 2005, I had the incredible opportunity to meet a Make-A-Wish Foundation® “Wish Kid” who has also been a repeat patient at Children’s Memorial Hospital in Chicago. I spent the day at the TMA charity golf outing where Katie and I sat at one hole and asked participants to spend $10 - with all funds going straight to Make-A-Wish and Children’s Memorial - for the chance to win a Lexus if they sank a hole-in-one.

Katie has cystic fibrosis, a disease which I knew very little about until I met her. At 15 years old, her expected life span is 30. When she was born, her life expectancy was 12, so she is hopeful that by the time she’s 30, the span will be 50; when she’s 50, it’ll be 70; and so on. She is incredibly well spoken, very personable, and, like most other 15-year-olds, is looking forward to her driver’s education lessons this summer. I am fortunate in that I have had no exposure to diseases like cystic fibrosis through my friends or family, but that fact makes me even more thankful that I was able to learn so much from Katie. She really touched my heart.

I pray that Katie and all others who suffer from diseases that have no cures are able to live life to the fullest through successful treatments, and that they are able to continue to benefit from some amazing organizations and the wonderful people involved with those organizations. It was a last minute decision for me to spend my day at this outing, and I am so grateful I did.
Many Thanks To The Following Sponsors of our 2005 Charity Golf Outing

Back Bay Capital Funding
Deloitte & Touche LLP
Mesirow Financial Consulting, LLC
Huron Consulting Group
Merrill Lynch Capital
Stout Risius Ross, Inc.
Winternitz, Inc.
Vedder Price
Gould & Ratner
Much Shelist
Rally Capital
Great American Group
LaSalle Business Credit, LLC
Kaye Scholler LLC
GMAC Commercial Finance, LLC
Bekins Van Lines
Bibby Financial Services, Inc.
Atlas Partners LLC
Gould & Ratner
Harris Nesbitt
Gordon Brothers
Riviera Finance
Prairie Business Credit, Inc.
Rally Capital
GMAC Commercial Finance, LLC
Monroe Capital
Call One
Dovebid

Schwartz, Cooper, Greenberger & Krauss, Chtd.
Great American Group
LaSalle Business Credit, LLC
Bridge Associates LLC
CIT Business Credit
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Wells Fargo Business Credit
Winternitz, Inc.
The Collateral Resource Group
First Growth Capital
Harney Partners, LLC
Brown Gibbons Lang & Company
Wildman, Harrold, Allen & Dixon
Fort Dearborn Partners, Inc.
DJM Asset Management
Loeb Equipment & Appraisal Company
Goldberg, Kohn, Bell, Black, Rosenbloom & Moritz, Ltd.
Morris-Anderson & Associates, LTD.
PNC Business Credit
Lake Pointe Partners, LLC
Textron Financial
AccuVal Associates
FTI Consulting
Houlihan, Lokey, Howard & Zukin
Getzler Henrich & Associates, LLC

Kim Metzner, Dennis Janczak, _____ Strato and _____ Morgan
Great American Group recently completed a three-day auction for United Hospital Medical Center, a 224-bed facility in Port Chester, New York. State-of-the-art medical equipment from fully equipped surgical suites to complete patient room furniture and fixtures were available for auction onsite and online via Webcast.

Mike Paulsen of Thilman Filippini (TF), recently assisted The Bekins Company in reducing their property and casualty insurance costs by over $2,500,000 - along with a $1,000,000 reduction of their letters of credit that support the deductible. Jim Vargo of Bekins recently selected TF for their unique approach toward understanding the needs and requirements of Bekins’ risk management program. TF prevailed against two of the world’s largest brokers because of their dedicated efforts to assist Bekins in mitigating their business insurance costs.

Monroe Capital LLC, announces the funding of a $7 million junior term loan to Brook Furniture Rental Inc. Monroe Capital’s term loan, in conjunction with a senior credit facility from GE Capital, was used to assist Brook in refinancing their debt and provide ongoing working capital.

Field & Golan LLP negotiated a $10 million settlement with GE to compensate the 11,000 M W retirees for the loss of their health and life insurance benefits. GE required that the funds be distributed through a VEBA Trust. On May 16, 2005, the M W Retiree Trust received IRS approval clearing the way for the funds to make their way into the hands of the retirees.

DJM is proud to announce the completion of the sale of Polo Tower, a 159-unit condominium on Chicago’s lakefront. DJM has recently been retained by Winn Dixie to valuate property, dispose of leases and negotiate rent concessions.

Keystone Consulting Group was engaged to lead the integration of the merger of a multinational automotive parts supplier and a Canadian automotive supplier. Keystone will focus on plant consolidation and executing a turnaround of the Canadian operations.

Signature Capital Partners LLC completed a recapitalization of its portfolio investments in T & B Foundry Co. and IETC, an importer of cast foundry products. Signature worked with management to address liquidity needs, allowing the existing ownership time to complete a comprehensive recapitalization that included an infusion of equity as well as a new line of credit.

Lake Park Capital LLC acquired the assets of Chittenden & Eastman, a manufacturer and marketer of middle to high-end mattresses and box springs sold to a variety of brand name retailers throughout the U.S. Lake Park Capital worked with several financial institutions, including CIT, to complete the transaction.

Bank of America Business Capital recently provided a fully underwritten $70 million senior secured credit facility to New Venture Holdings LLC, a leading worldwide supplier of plastic components, modules and systems for automotive OEM’s based in Sterling Heights, Michigan. The loan will be used to provide for working capital needs and to fund future growth.

Atlas Partners LLC has acted as a real estate advisor to Pacific Industries Inc. in the sale of its 67,000 square foot manufacturing facility located in Modesto, California.
TMA New Members Bring a Myriad of Experiences

By Joanne Chamberlain, Deloitte

Instead of writing legal briefs, you may catch Valerie Freireich jotting down notes for her next book. The author of four published science fiction novels, Valerie joined the TMA not to find subject material for her journalistic endeavors, but instead to better assist her clients. As a relatively new partner at Chuhak & Tecson PC, Valerie focuses on business transactions. She represents not only lenders, but also buyers and sellers of properties. Her practice crosses the asset based lending world which makes her believe that the TMA will help her understand the pitfalls her clients could fall into. She will use her membership to help her clients avoid those challenges, and to find the resources – both people and solutions – to help her clients find recovery should anything happen. Her colleague, Jim Gottlieb, praised the TMA and encouraged her to get involved. In addition to assisting her clients, she’s also looking for some new networking opportunities along with educational and professional development pursuits. Outside of her publishing books through Penguin USA, Valerie enjoys reading others’ works and attending plays.

After paying the non-member rate for several TMA events, Dan Dock decided it was time to join and enjoy full membership benefits – including a bonus of being featured in this space (actually, we have to thank treasurer Joe Fobbe for ‘cornering’ Dan at a recent breakfast forum)! Dan brings many years of experience to his business development role for Heartland Capital, working side-by-side with Heartland’s principal, Tim Czmiel. The company’s priority is to provide a direct source of capital for companies in decline or experiencing rapid growth, primarily factoring accounts receivable both internationally and domestic with a deal range of up to $5 million. Heartland also offers P.O. financing when factoring receivables and assists clients with acquiring real estate for sale and leaseback in the Chicagoland area. Since the company was formed just a few months ago, Dan has helped Tim implement his vision of what he considers to be an underserved area. Together, their goal is to network with TMA members for not only building their business as they seek referrals, but also for farming out opportunities that don’t match their parameters. Their focus is on making their referral sources look very good to their clients! Once he leaves the office, Dan enjoys spending time with his family and friends, but also focuses on another passion: leadership coaching. He’s taken a former career and turned it into a volunteer opportunity where he coaches high school students and professionals alike through networks such as the Naperville Chamber of Commerce and his church. So if you’re looking for a little leadership assistance to go along with that capital, Dan is your man!

Sometimes the most forgotten piece of the transactional puzzle is a company’s investment in its information technology. Ft. Sheridan Group’s Joe Gatto is trying to change that. As an IT management consultancy firm, Ft. Sheridan Group focuses on helping organizations align their IT investments with their business strategy. However, after having worked on the IT side of turnarounds at distressed companies and on M&A deals over the past year, Joe has learned that IT strategy is low on the radar screen during the due diligence process. After joining the TMA and attending the new member reception, he discovered the same was true for bankers, M&A and turnaround folks – all constituents that he would like to get closer to in order to assist his clients and their IT investments. Joe hopes to keep IT top of mind when it comes to transactions of any significance – whether through private equity deals or the sale of a distressed company. TMA’s very own Bill Hass is a former colleague of Joe’s and suggested our organization would be a great place for Joe to share his IT passion. IT isn’t the only thing on Joe’s mind though; he also enjoys golfing, personal fitness and travel.

Dan Bender represents a number of our TMA members: those who were introduced to the profession through a work experience. Dan sought out an opportunity in the turnaround profession after his former employer went through the bankruptcy process. His goal is to help a company perform better, but more importantly to him, to treat his clients’ employees with a great deal of respect as he would like to get closer to in order to assist his clients and their IT investments. Joe hopes to keep IT top of mind when it comes to transactions of any significance – whether through private equity deals or the sale of a distressed company. TMA’s very own Larry Adelman and Craig Dean, primarily for the educational and networking opportunities. He has already signed up for the Body of Knowledge series and attended several of our networking programs. Beyond the office walls and TMA opportunities, Dan has a full plate at home. With a wife, two children ages four months and two years, and a Siberian Husky, Dan’s hands are full! Still residing in downtown Chicago, he and his family like to take advantage of all this great city has to offer, but he also enjoys retreating to his upbringing in the north woods of Wisconsin, hitting the ski slopes in Colorado, and attempting to make it out on the golf course!

As always, thank you to all our members for their many great referrals. The Membership Committee is sponsoring its referral contest once again this year, with the top three recruiting members receiving $250, $150 and $75 American Express gift certificates!
Please help us welcome the rest of our new members:

Daniel Bender
Donald Berger, Chikol
David Campbell, GE Capital Healthcare Financial Services
Mary Carravallah, Turnaround Management Association
Alvin Cheeks, ClinDev Global Inc.
John Dischner, CTP, Alix Partners LLC
Lisa Ditkowsky, AAMS, A G Edwards
Daniel Dock, Heartland Capital, LLC
Daniel Eder, Lightray Development LLC
Michael Fabich, Foxwood Associates Inc.
Valerie Freireich, Chuhak & Teeson PC
Joseph Gatto, Ft. Seridan Group LLC
Cary Goldman, Sitex Realty Group
Lee Gould, G & P Financial Litigation Advisors
Clinton Hansen, Fagel/Haber LLC
Ronald Jacobson, Winston & Strawn LLP
Jeff Jelm, Merrill Lynch Capital
Danielle Kemp, Latham & Watkins LLP
Fahad Khalid, Conway MacKenzie & Dunleavy
Aaron Marbury, FTI Consulting
James Morgan, Much Shelist
Rick Nunziati, Huron Consulting Group
Caroline Reckler, Latham & Watkins
Gerald Saltarelli, Conway MacKenzie & Dunleavy
John Sieger, Katten Muchin Rosenman LLP
Lee Sweigart, Huron Consulting Group LLC
Alleson Tate, LaSalle Business Credit LLC
Raymond Temple, PNC Business Credit
Hampton Tonk, The Turnaround Management Group
Irwin Williamson, Tatum Partners

Join Tom Ridge, Cokie Roberts, Jim Craig and many others at the Annual TMA Convention

by Kelly Struck, Huron Consulting Group

The TMA 2005 Annual Convention is coming to town! On October 18-21, TMA members and non-members alike will come together at the Chicago Hilton & Towers for education, networking and fun. This year’s conference co-chairs are Tom Allison of Huron Consulting Group, Dave Mack of ALTMA Group LLC and Bob Morriss of Anderson & Associates – all members of our TMA chapter. This team has been busy planning what is predicted to be the best convention yet. Who would expect anything less in the magnificent city of Chicago? With 25 sessions scheduled throughout the convention, not to mention ACTP sessions and certification exams, the agenda is packed with many interesting topics for everyone. The conference brochure will be mailed out shortly, but for now, mark your calendars and keep October 18-21 open.
John Brignola announces that he, Ira Lubert, Chris Calabrese and Nate Cohen have recently joined together to form LBC Credit Partners, a member of Independence Capital Partners (ICP). ICP’s member firms have an aggregate of over $4 billion in capital commitments. LBC Credit Partners will focus on providing privately negotiated junior capital and other structured credit products to companies with annual revenues of less than $500 million on a national basis.

Alex Moglia, president of Moglia Associates, a national corporate restructuring firm, was a co-presenter on “Assignments for the Benefit of Creditors: How We Might Change the Arizona Statutes.” The presentation was given at a joint program sponsored by the TMA’s Arizona Chapter and the Arizona State Bar Bankruptcy Section.

Gardner Carton & Douglas partners Harold L. Kaplan, Tracy L. Treger and Mark F. Hebbeln recently published a feature article titled “Indenture Trustees and Lease Recharacterization” in the American Bankers Association’s Trust & Investments magazine.

The April 2005 issue of the ABF Journal included the article “Supply Chain Management and Accommodation Agreements” by Frank R. Mack, CTP, of Conway MacKenzie & Dunleavy.

Beta Gamma Sigma (BGS), the international business honor society of Mississippi State University, presented Stillman School of Business at Seton Hall University alumnus Gerald P. “Jerry” Buccino with the 2005 Medallion for Entrepreneurship on April 26, 2005. The BGS Medallion for Entrepreneurship honors individuals for both their business creativity and their commitment to bettering humankind.

First Growth Capital, a division of First Capital, announces the appointment of Larry D. Meek as vice president of business development in the Chicago area. First Growth Capital and First Capital provide working capital to small to middle market companies involved in manufacturing, wholesale, distribution and various service industries through discount factoring and asset based lending.

Several TMA members were involved in a panel discussion at the 8th Annual Conference on Corporate Reorganizations in Chicago on June 24, 2005. The topic, “Late Breaking News,” was moderated by Kevin Krakora of Mesirow Financial Consulting with panelists Ira Kreft of Bank of America Business Capital, Tim Pohl of Skadden Arps and Ben Waisbren of Stark Investments.

Bill Loebbaka of Horizon Advisors published an article titled “Hidden Profits: They’re Closer than You Think” in the March 2005 issue of The Fabricator, a publication of the Fabricators & Manufacturer Association. His article, which lists 20 questions every lender should ask to gauge the financial status of a client, was also published in The Cutting Edge, a publication of the International Association of Diemaking and Diecutting.

Susan Barnes de Resendiz will moderate a panel titled “Almost All You Wanted to Know about the Bankruptcy Rules and Procedure under the New Bankruptcy Code” on November 2, 2005, at the Annual Fall Meeting of the ABA Business Law Section/National Conference of Bankruptcy Judges in San Antonio, Texas.

Carl Lane, a principal in Deloitte Financial Advisory Services LLP’s Reorganization Services Group, participated in a panel discussion regarding automotive pension plans at the “Jefferies 2005 Automotive Conference” held on May, 18, 2005. Lane’s panel was titled “Pension Obligations – Who Owns the Company Anyhow?” The panelists discussed the underfunding of pension plans and subsequent risks to stakeholders; pension plans as a source of income; how pension plans are treated as a creditor in bankruptcy situations; and the level of support the Pension Benefit Guaranty Corporation is able to provide.

Congratulations to Mel Rutlin who was recently promoted to executive vice president at Wells Fargo Business Credit Inc. Mel is responsible for WFBCI’s East Central region with offices in Milwaukee, Chicago, St. Louis, Detroit, Cleveland, Cincinnati and Fort Wayne.

Brian Home and Floris Iking were recently appointed as co-chairpersons of The University of Chicago Graduate School of Business Turnaround Management Group. TMA members interested in participating in the GSB’s 2nd Annual “Nuts ‘n Bolts of Turnaround Management Conference” on Friday, November 4, 2005, should contact Floris at fiking@chicagogsb.edu.

Suzanne Koenig spoke to the Illinois Nursing Home Administrator’s Association at their Annual Spring Conference held in Decatur, Illinois, on April, 27, 2005. Her presentation was titled “The Turnaround Operator’s Perspective.” Suzanne is a healthcare turnaround consultant who specializes in optimizing financial and operating performance in the Senior Housing and Care Industry.
Charlie Winternitz of Winternitz Inc. announces the hiring of Dan Barnett as southeast regional manager, construction & transportation equipment division. Dan’s background includes many years of experience as an equipment dealer and broker. Dan previously worked for Ritchie Bros. and First Team auction companies.

Dirk Landis of Tatum Partners announced that Jean Luber, previously CIO of Laidlaw Education Services, Irv Williamson, previously CFO of Technology Alternatives Inc., and Robert Girardin, previously CFO of AMS Direct Inc., have recently joined the firm as partners.

Harold L. Kaplan of Gardner Carton & Douglas and John Wm. Butler, Jr., of Skadden Arps Slate Meagher & Flom LLP were co-chairs of the Renaissance American Management and Beard Group 8th Annual Corporate Reorganizations Conference in Chicago, June 23-24, 2005.

Susan Barnes de Resendiz, counsel to Gardner Carton & Douglas LLP, recently re-located her practice to Houston, Texas, to spearhead the firm’s Texas practice.

The NFA Chicago Chapter featured Transcap Trade Finance Vertical Markets Coordinator Jason Edelson as a panelist at a May 25 luncheon. Edelson covered trade/purchase order finance trends and the financing issues involved in producing goods off-shore.

Mike Barto, a partner at the turnaround consulting firm Promontory Point Partners LLC, was a guest speaker February 24, 2005, for the National Paint and Coatings Association. The presentation was titled “Lessons Learned on the Turnaround Trail.” Earlier in his career, Mr. Barto spent several years working for the Sherwin-Williams Company in Cleveland, Ohio.

Norm Adler announces that Glenn N. Poole, Jr., will serve as vice president, business development for Hilco Appraisal Services. Glenn will manage business development and client relations in the states of Alabama, Florida, Georgia, North Carolina, South Carolina, Maryland, Tennessee, Virginia and the District of Columbia.

Tom FitzGerald of FitzGerald Associates is pleased to announce a new contract for his book, “Predicting and Preempting the Corporate Heart Attack.” An article by that title was the lead story in May’s CEO Refresher. It will be reprinted in Corporate Finance Review and at least three other magazines over the summer.

Alex Moglia, president of Moglia Associates, has been appointed vice-chair of the Board of Directors of the Bankruptcy Court Liaison Committee for the Northern District of Illinois. The committee was formed to promote communication among the U.S. Bankruptcy Court in Chicago, attorneys and other insolvency professionals, and to create a more efficient court environment.

John P. Sieger has joined Katten Muchin Rosenman LLP as a partner and co-chair of its Chicago Bankruptcy, Reorganization and Creditors’ Rights Practice. Sieger comes to the firm from Jenner & Block LLP. This marks his second tenure with Katten Muchin Rosenman, having previously practiced two years with the firm before departing in 2002.

Congratulations to Lisa Johnson who has been promoted to senior vice president. Lisa is responsible for national marketing, training and cross-sales strategies at Wells Fargo Business Credit, Inc.

Harold L. Kaplan will be speaking August 7, 2005, on a panel regarding the affect of the Bankruptcy Abuse Prevention and Consumer Protection Act of 2005 on business bankruptcy cases at the ABA Annual Meeting. Mr. Kaplan will also be speaking November 3, 2005, on a panel for the Healthcare-Related and Not-for-Profit Bankruptcy Issues Working Group titled “Healthcare and the Bankruptcy Abuse Prevention and Consumer Protection Act of 2005” at the Annual Fall Meeting of the ABA Business Law Section/National Conference of Bankruptcy Judges.

Kevin Krakora is pleased to announce that prominent valuation expert, David W. King, has joined Mesirow Financial Consulting as senior vice president and technical director in the Chicago office. Prior to joining Mesirow, King served as a director in Standard & Poor’s Corporate Value Consulting (CVC) group, formerly PricewaterhouseCoopers CVC Group.
Morris-Anderson & Associates announced two significant expansion developments on April 4th: the Merger with BTB Associates practice in Wilmington, Delaware, and the Opening of a Cleveland, Ohio, office.

BTB Associates is a Wilmington, DE-based practice operated by Bob Troisio and Dave Paddy that primarily serves in the insolvency roles of Liquidating Trustee, Plan Administrator and Responsible Party. In addition, they have represented debtors and creditor committees and have had numerous assignments as fee examiners and expert witnesses. Both have served in virtually every role available to a chapter 11 or a chapter 7 professional with a particular specialty in the process of estate wind-downs and closure over their 25 years of experience.

Bob Troisio as managing director and Dave Paddy as consulting manager will report to Senior Principal Dan Dooley in Chicago, who commented, “We are excited to recruit Bob and Dave to Morris-Anderson & Associates. Their skills and experience will significantly augment our wide range of bankruptcy services and we are delighted to have such high-quality leadership with a new office in Wilmington, DE.”

Morris-Anderson & Associates is equally proud to announce that it has opened a Cleveland office headed by Francesco DiGianntonio, who comes to the firm by way of KPMG, FTI/PWC and GE. Morris-Anderson & Associates’ NYC-based Managing Principal Alan Glazer commented, “We are truly enthused to have Francesco join us at this time. Francesco, who sits on the Board of the Cleveland Chapter of the TMA, is a life-long Cleveland resident with great project experience and a growing network. We are expecting great things out of Francesco in Cleveland.”

The firm is proactively looking for synergistic practices and marketers. It sees 2005-2006 as an excellent time to recruit strong leaders and marketers of complementary financial advisory services who are looking for a middle-market brand-name platform with critical mass to gain leverage in marketing, personnel, industry expertise and geographic coverage. Morris-Anderson & Associates markets hands-on entrepreneurial experience with industry and functional specialists who bill middle-market rates. The firm simply strives to be the best middle-market financial advisory boutique in North America.

Morris-Anderson & Associates, www.morris-anderson.com, has offices in Chicago, New York City, Atlanta, Dallas, Lake Geneva, Cleveland, Wilmington (DE), Washington, DC and Tampa. Its approximately 40 professionals provide strategic advisory, crisis and turnaround management and counsel to underperforming and financially troubled companies, their lenders and investors; and litigation support expert witness services to the legal and governmental communities.

925 Euclid Avenue, Suite 647
Cleveland, OH 44115
Main: (216) 589-9440
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For nearly a century, companies from virtually every industry have turned to Bank of America Business Capital for sound financial solutions. As one of the largest asset-based lenders in the world—serving the United States, Canada and Europe—we’re dedicated to helping middle-market and large corporate borrowers achieve their goals. Our proven track record and commitment to higher standards have resulted in lasting relationships and satisfied clients.

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Loans to support all business strategies

Bank of America Business Capital provides credit facilities that enable companies to achieve their objectives, including:

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Extensive resources

As part of Bank of America, we’ll provide your company with some of the most extensive financial products and services in the industry, including:

- Asset Management
- Foreign Exchange
- Interest Rate Protection
- Private Equity
- Trade Services

- Treasury Management
- High Yield
- Mergers and Acquisitions Advisory
- Subordinated Debt

Why choose us

- Customer commitment – we take pride in providing clients and intermediaries with a “best-in-class” experience
- Breadth of products/services – asset-based loans from $15 million and up, enhanced by the most extensive financial products and services in the industry
- Experience – the largest share of middle-market and large corporate relationships of any bank in the U.S., including more than 95 percent of the Fortune 500
- Leading service technology – proprietary web-based loan servicing system gives clients instant access to account information and day-to-day transactions
- Syndication strength – Bank of America is the #1 lead arranger of leveraged loans by volume and by number of deals in 2003 (Source: Loan Pricing Corporation)
- Global provider – more than 20 offices serving the U.S., Canada and Europe
- Stability – part of Bank of America, one of the largest financial services providers in the world

For more information contact:

Allan Allweiss: 312.827.4215, allan.allweiss@bankofamerica.com
Ira Kreft: 312.827.4202, ira.kreft@bankofamerica.com
One South Wacker Drive, Suite 3400, Chicago, IL 60606
Visit our website at www.bofa.com/businesscapital
Excerpts from the article “Managing a Turnaround with Improved Operations: From Crisis to Credibility” by Dave Mack, Managing Director, ALTMA Group, LLC

Originally appeared in ABI Journal July/August 2004

A good turnaround consultant like ALTMA Group LLC is sought after by banks and other creditors who want to effect a change in cash flow, have credible numbers and move toward a good outcome. Turnaround consultants, as company advocates, follow steps to move from insolvency to a sound operational plan. The experienced consultant brings an unbiased view of the situation facing the company and its creditors. The chance for a company to emerge successfully from a financial and operational nightmare is directly tied to the credibility and know-how of the consultant.

In developing a turnaround plan, acknowledge the situation, challenge the denial of obvious facts by developing meaningful tracking mechanisms based on the nature of the business. Create a “scorecard” using basic metrics of weekly cash flow and manage the business without waiting for the monthly income statement. Establish “red flags” from data sources that will alert management as soon as the scorecard shows a problem.

Priorities that halt a downward spin are selling more products, raising prices, liquidating a division or laying off part of a workforce. Convince management these steps are essential to restoring the health of the corporation. Build a team to execute the program. Seek answers from middle management that may have been hampered in executing their ideas. Establish credibility; for when creditors believe a turnaround will occur, they’re willing to provide the time for it to occur. An audit can get past the numbers, by looking at the actual liquidation value of inventory or receivables, decapitalization can occur at the next bend in the road. Begin by focusing the business on its basic elements: Build it (manufacture, conceptualize); sell it or provide it (product or service); bill it (invoicing); collect it (accounts receivable); report it (tracking the sale); and communicate it (results to management).

Actions that bring success to a struggling company include: Team management overcomes challenges; collection of data points to understand the situation (talk to as many people as possible) before reaching any conclusions; independent collaborative information; continuous questioning of strategies, issues and tactics; creative ways to use existing resources (e.g., turning excess and old inventory into cash); seeking out “voiceless” employees on-site who may have answers and insights; a sense of urgency; buying into the turnaround team and a “new vision”; challenging management, ownership and the board of directors about entitlements, the roles of family members or historically rooted strategies and tactics; building consensus for making changes; driving toward the best outcome possible, accepting the need for alternatives such as sale of the business, recapitalization or liquidation. One reliable rule: The solution lies behind the numbers, in the heart of a company’s operations.

It is imperative to seek out a turnaround consultant with integrity and a proven track record. For further information about the ALTMA Group LLC services, please call 847-441-2692 or visit www.altma.com.

President’s Message, continued from page 1

The second unique trait the great leader had was focusing his management team on a few but highest impact tasks because of the recognition that people resources are scarce. Although both money and time are limited, it is much more obvious with money because it’s tangible rather than with time which is intangible. Joe related that his business had many issues, problems and opportunities like all businesses. His great leader had honed his craft to be able to always keep three critical tasks as the focus for his team and he always picked the biggest impact tasks from an ever increasing list of options.

Now, I’m not telling you that I’ve got the secret answer to the leadership definition. However, I think these two simple traits are pretty close to the answer.

Coming Up for the Chicago Midwest TMA Chapter

A quick update on 2005 so far:

- We are well on our way to achieving our goal of 900 members. We will be over 830 by the time this newsletter is published.
- We’ve had some great events this year: Rainmakers, Automotive Industry, Golf Outing, etc.
- We are about $12k favorable to budget for our first five months after adjusting for timing differences.
- Our Milwaukee leadership group has had four successful events and is well on its way to developing a critical mass of members.
- We have attacked our three key initiatives very aggressively: chapter leadership, CTP growth and inter-chapter/inter-association outreach.

Some quick thoughts on the balance of 2005:

- The Nominating Committee will soon be starting on the process of developing our chapter’s proposed slate of leaders for 2006. The chapter now has written guidelines which provide information on qualifications and responsibilities for each leadership position. Now is the time to contact Bill Hass, Chris Glatz or me if you wish to volunteer for a leadership position for 2006.
- The TMA International Conference will be held in October in Chicago this year. Brochures will be out in the next month. Please consider attending.

REMEMBER…..NETWORKING, EDUCATION and FUN!!

Dan Dooley
Membership Application

Name: ___________________________________________________

Title: ___________________________________________________

Firm: ___________________________________________________

Address: ___________________________________________________

City: ___________________ State: ___________

Zip: ___________

Phone: ___________________

Fax: ___________________

E-mail: ____________________________________________________

Web Site: ____________________________________________________

Referred by: ____________________________________________________

Membership Category:

<table>
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<tr>
<th>Membership Category</th>
<th>Annual</th>
<th>Mid-year (7/1-8/31)*</th>
<th>Year End (9/1-11/30)**</th>
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<tbody>
<tr>
<td>Member</td>
<td>$275</td>
<td>$150*</td>
<td>$375**</td>
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<tr>
<td>Academic/Govt.</td>
<td>$115</td>
<td>$115*</td>
<td>$150**</td>
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<tr>
<td>Student</td>
<td>$  65</td>
<td>$  65*</td>
<td>$  85**</td>
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* New members only; does not include Directory listing
** Year end dues expire 12/31/06
Memberships are on an individual basis only and are non-transferable. Membership includes a listing in the 2005-06 Directory of Members and Services.

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Preferred Chapter: Chicago/Midwest

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Patty Wu
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Welcome Association for Corporate Growth.
You have been included in this complimentary issue of The Newsletter of Corporate Renewal because of our shared interests. We hope you enjoy it. Please note our event schedule on page two and join us at any of our upcoming meetings. We look forward to seeing you.

Christine Glatz, chapter administrator
P.O. Box 33
Frankfort, IL  60423
(815) 469-2935    Fax (815) 469-1901
E-mail: cglatz@managementservices.org