

Kenneth P. Walsleben
Principal
The Hamilton Group

- **Age:** 42
- **Education:** Bachelor's degree in economics from Syracuse University
- **Residence:** Brewerton
- **Family:** Wife, Christina
- **Favorite part of the job:** "Providing funding to clients, which in turn helps ensure employment for hundreds of families. I also love learning about how to be successful in so many different kinds of business."
- **Hobbies:** Boating, fishing, bicycling, wine making
- **Favorite author:** Tom Clancy
- **Favorite movie or genre:** Movies that reenact historic events.



Flexibility keeps Hamilton ahead

By George Spohr

Journal Staff

NORTH SYRACUSE — Kenneth P. Walsleben doesn't mince words when asked how he differentiates himself from the competition.

"Without exaggeration, we are America's most flexible factor," says Walsleben, principal and co-partner with Michael J. Howe of The Hamilton Group. "We do not require term agreements, volume commitments, personal guarantees, escrow accounts, due-diligence fees, application costs, facility fees, nor block-time fee calculations. No other factor in the country can say all of those things."

"I know, because for the last two years, I was a board member of our industry association and got to know many of our competitors," he continues. "No one else does all that we do."

The Hamilton Group is a company which accepts accounts receivable as security for short-term loans. Hamilton's clients are paid quickly on their invoices, receiving on average of about 96 percent of the invoice amount.

"Most importantly, they've received the vast bulk of their [receipts] up front when they need it the most," Walsleben says. "This enables clients to manage and grow their businesses without having to worry about cash-flow concerns."

Hamilton does that by providing its clients with an advance against their accounts receivable. Hamilton then collects the invoice payments directly from the individual customers.

Most of Hamilton's clients are rapidly growing, small- and mid-sized businesses. Annual revenues of those clients range from \$200,000 to \$15 million. Hamilton has clients across the country, not just in Central New York. Many of those customers came to Hamilton one of two ways.

"The best way [to attract customers] is networking with referral professionals, like banks, accountants, attorneys, and business-development entities," Walsleben says. "We also get a significant portion of our new clientele from business consultants as well as prospects who find us on the Internet."

Walsleben and Howe share similar back-



ERIN ZEHR/THE CENTRAL NEW YORK BUSINESS JOURNAL

From left: Tom Tenerovicz, broker relations manager for the Hamilton Group, presents a deal to Kenneth Walsleben, principal, and Michael Howe, partners and principals for the company.

grounds. Both worked first in the Central New York banking community for three to five years, and then they worked in the equipment-leasing arena for five to seven years. They co-founded Hamilton in 1994.

"We can empathize with our clients, because, in many respects, we've been there and done that," Walsleben says. "We've had to raise capital, hire and train staff, and market our business. Perhaps our most consistent challenge over the years has been to educate business owners and other professionals about the benefits of factoring, and to dispel many of the old myths concerning its cost."

As an industry, factors have become more mainstream among financial alternatives, says Walsleben, who is fresh off of a two-year term as a director of the International Factoring Association.

"Companies all around the nation — espe-

cially in the south — are becoming far more savvy in their approach to finding capital sources," he says. "Happily, our industry has really evolved and an industry association has been born."

And, perhaps surprisingly, "raising capital has been considerably easier than we originally expected," Walsleben says. Annual revenues are on the rise, and Hamilton "comfortably" expects annual revenues to rise 50 percent next year, he adds.

"We have redoubled our marketing efforts and have committed to opening satellite sales offices," Walsleben says. "During the last quarter, we opened a new office in Baltimore, and in coming weeks, we expect to announce a new Hamilton presence in New England. Late this year, we anticipate opening an office in the Midwest — probably Chicago."

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BOTW FACTS

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- **Type of business:** Financial factoring
- **Year Founded:** 1994
- **Number of Employees:** 6
- **Square Footage:** 2,000
- **Key Officers:** Kenneth P. Walsleben, Michael J. Howe, partners and principals
- **Annual Revenues:** \$20 million