

Executive Search Service Turns Up Timely Hires

By MITCH DEACON - 5/12/2008

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When Fox Mobile Entertainment decided to launch a six-month project last year to develop screen savers and videos for cell phones, the company needed a qualified interim manager.

Wanting to get the project up and running as fast as possible, Fox turned to a local company, Business Talent Group, to locate an executive.

“Business Talent Group was able to put several extremely qualified candidates in front of us within five days, and we hired one of them as a creative director within a couple of weeks,” said Lucy Hood, former president of Fox Mobile Entertainment. “That hire really accelerated our business.”

Finding an interim senior executive on short notice is a problem for many companies in Los Angeles. Companies can hire a consulting firm at considerable cost, or begin an executive search, which often takes several months.

But as companies seek greater flexibility to launch new projects quickly, Business Talent Group has emerged as a match maker in the growing niche of temporary executive placement.

The company’s stable of executives features more than 500 professionals, most of whom the company boasts as having top-tier MBA degrees and more than 10 years of management or consulting experience.

Founded in the fall of 2006 in Pacific Palisades and funded by private investors, the company now has offices in New York, San Francisco and Seattle.

Most of the clients are private equity firms, venture capital-funded companies and non-profit foundations that are seeking to fill temporary management positions for short-term projects or consulting positions.

“We are creating the capacity for companies to utilize executive talent in a new way,” said Jody Miller, founder and chief executive of Business Talent Group. “The ability to bring on senior level people only when you need them is an extremely cost effective solution.”

The approach to executive employment appeals to professionals who enjoy working on challenging short-term projects.

Mark Jaffe last year accepted a temporary executive position with a local media services company, where he worked for about three months on marketing and operational assessments for a new venture.

“For me it has been a great relationship,” said Jaffe, an entrepreneur who recently sold his business and is now doing freelance work.

Local Footprint

With a new executive at the helm of its Los Angeles operation, global behemoth HSBC Bank USA is leveraging its international footprint to expand local market share.

Dominic O'Hagan was named regional west coast president. He brings 20 years of overseas experience and an ambitious plan to become the premier banker for L.A. firms with foreign operations.

"There are upwards of 2,000 good size companies in Southern California with some form of international business – selling overseas, expanding and putting sales offices overseas or acquiring foreign companies," O'Hagan said.

HSBC currently has 12 branches in L.A. County, up from nine branches in 2005 but far short of the bank's original plan for 20. HSBC's commercial division operates an international network of branches in 64 countries.

"Our global cash management products can be customized to meet a specific company's needs," O'Hagan said. "HSBC is also one of the world's leading foreign exchange banks. We have 24-hour trading capabilities in all major currencies."

The bank's global footprint and specialized services have been a hit with L.A. nutritional product marketer Herbalife Ltd, which began working with HSBC about three years ago.

"We have 1.7 million distributors in 65 markets around the world. Imagine trying to manage your cash if you have multiple bank statements in multiple countries," said Rich Goudis, chief financial officer of Herbalife.

HSBC's network makes it easy for the company to move money from one account to another without having to use wire transfers, Goudis said.

New Bank Hits Pay Dirt

Boosted by a non-recurring tax windfall, California United Bank registered net income of \$2.29 million in the first quarter, up from a loss of \$222,000 a year ago.

Although more than 85 percent of its first quarter net income was from a \$1.96 million tax benefit, it was an impressive performance for a de novo bank. Launched in 2005, the Encino-based financier managed to achieve profitability last year with net earnings of \$29,000.

One reason for the rapid rise to profitability is that the bank has steered clear of risky investments and loans, including collateralized debt obligations, structured investment vehicles, non-investment grade securities, subprime mortgages and even auto and consumer credit card loans.

Instead, the bank has built its balance sheet on a solid foundation of commercial real estate loans and commercial and industrial loans to midmarket businesses. Most of the bank's loans are secured by assets rather than cash flow.

"We target businesses that might not get the attention at a big bank, and they see us as an alternative," said David Rainer, president of California United Bank.

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