

Washington Technology

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New investment fund targets small businesses

Equity group looks for firms that need help getting over the small-business hump

- By [Nick Wakeman](#)
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A new private equity fund has formed to invest in federal contractors with less than \$50 million in revenue.

Created by Rick Knop, co-founder of the investment bank the Windsor Group, and his wife, Leslee Belluchie, former chief marketing officer and executive vice president of SI International, FedCap Partners has a fund of \$17 million and expects a second closing that will bring the fund to \$30 million, Knop said.

Along with Knop and Belluchie, the fund includes a star-studded board of advisers and investors including Walter Batson Jr., chairman and CEO of Camber Corp.; Linda Berdine, founder of G&B Solutions; Gordon England, a former deputy secretary of defense and executive vice president of General Dynamics Corp.; and Russell Ramsey, chairman and CEO of Ramsey Asset Management.

The fund will make both majority and minority investments in companies, Knop said.

The types of companies that the fund will target include 8(a) companies that need resources and advice to successfully move out of the set-aside program, he said. Many owners of these companies have seen their firms' market value plummet because of size recertification rules.

"The individuals we have on our board of advisers want to be active mentors to the companies we invest in," Knop said.

He is hoping the fund creates a collegial atmosphere for both the investors who want to be active and the companies being funded.

"Often companies get to the \$40 million or \$50 million mark and they need to restructure to grow to that next level," Knop said. "That's where we want to help."

Other board members, who are also investors, include Denis Berube, chief operating officer of Lau Technologies; retired Maj. Gen. Robert Harding, former director for operations at the Defense Intelligence Agency and deputy intelligence chief for the Army; and Christopher Meyers, chairman and CEO of CJM Investments Corp.

The advisers often will serve on the boards of companies the fund invests in and provide advice, including how to build business development operations, convert from QuickBooks to Deltek, and make strategic hires, Knop said.

"We want to help companies cross that inflection point and accelerate their growth," he said. "Our whole purpose is to partner with the owners of these companies."

Knop declined to say when the fund would make its first investment, but several deals are in the works.

"It is a target-rich environment," he said.

About the Author

Nick Wakeman is the editor of Washington Technology.

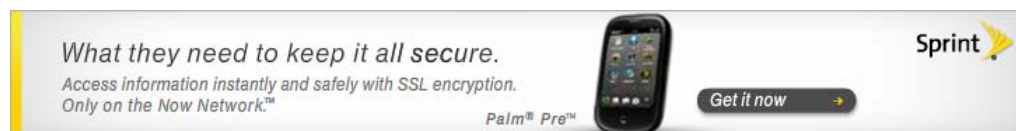


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