

Boston Business Journal - April 19, 2010  
[/boston/stories/2010/04/19/focus2.html](#)

## **Boston Business Journal**

Friday, April 16, 2010

# Loan gave former CPA needed business liftoff

Boston Business Journal - by [Lauren Keiper](#) Special to the Journal

Dick Puricelli is a CPA by training, not a machinist. But that didn't stop him from buying **Jet Products**, a custom parts manufacturing business, at the height of the recession. In fact, it was his attention to detail and financial background that helped him convince his bank and Jet Products' retiring owner that he was a worthy candidate for small-business financing.

"Dick is very precise in his financial presentations," said Tony Aveni, a vice president at **Rockland Trust**, who was instrumental in putting together the financing package for Puricelli's acquisition of Jet Products.

Puricelli began shopping for a company to buy in mid-2007. He was looking for a profitable company with a good product — he wasn't interested in a turnaround situation. Jet Products of East Bridgewater immediately piqued his interest. He felt the company, which manufactures parts to customer specification primarily for clients in aerospace and the medical industries, was suited nicely to his area of expertise. The retiring owner had been responsible for quotes and general business management, shoes that Puricelli could readily fill. He was confident in the machinist team in place and knew that he could rely on current employees to keep day-to-day floor operations consistent during the ownership transition.

But with credit extended to small businesses drying up, Puricelli faced increased scrutiny in his bid for financing in late 2008.

"The timing was horrible as far as putting together a financing package," said Aveni. But the banker said Puricelli's persistence, his detailed financial presentations, his flexibility to consider alternative financing packages and his communication skills made him an attractive client for the bank.

From a lending perspective, Jet Products' cash flow looked solid. But, the bank's loan board only got comfortable with the transaction after subordinate financing was put in place because of substantial goodwill associated with the purchase price.

In the end, Rockland Trust financed part of a first mortgage and equipment purchase for \$700,000. Behind the bank loans are SBA 504 loan program financing via SEED Corp., a certified development company, **mezzanine financing from affiliated SEED Ventures**, and debt held by the outgoing seller.

The latter is common under SBA guidelines when a fair amount of goodwill is included in the purchase, said Aveni.

The loans closed on Dec. 24, 2008. The company, with 17 employees, weathered the last 15 months without layoffs and has maintained a good working relationship with its bank. After years of continually improving sales pre-recession, Jet Products is inching its way back toward 2008 production levels. Puricelli anticipates ISO and AS9100 certification by mid-year will help drive new business growth.

Jet Products is sticking to its core business and meeting client demands for two key metrics — on time delivery and quality. And Puricelli is doing the same with the books — delivering monthly financials to lenders for comparison with his original projections within 15 days of each month end.

"You want to give the bankers as much information as you can," said Puricelli, "because nobody likes surprises."

*All contents of this site © American City Business Journals Inc. All rights reserved.*