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MEMBER NETWORKING

CHAPTER BUSINESS

WEST LOS ANGELES CHAIRPERSON

Joel Berman

Jeffer, Mangels, Butler & Marmaro

Attorney – Corporate

Member Since: April 2002

As a partner with the Los Angeles-based law firm Jeffer, Mangels, Butler & Marmaro LLP, Joel Berman's practice emphasizes general business, corporate and commercial law. Berman believes in a hands-on, 24/7 approach when working with his clients to guide them through every aspect of a transaction. Read more about Berman's dedication to his clients and his firm's involvement in Interlaw. [More...](#)

SAN FRANCISCO CHAIRPERSON

Tim Tonella

MatchStar Venture Search

Recruiting – Executive Search

Member Since: May 2002

Tim Tonella is the CEO of MatchStar Venture Search, a boutique executive recruitment and placement firm that services the venture capital community and venture-backed tech companies. Tonella explains his company's unique business model, which is designed specifically around the needs of early-stage companies. Tonella compares and contrasts MatchStar with some of the nationally branded retained search firms and discusses some of the industry's hot topics. [More...](#)



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Mark Sullivan – Kroll

Consulting – Business Risk Management & Investigations

As the Managing Director and Head of Loss Prevention at Kroll Inc., the world's largest risk consulting firm and a key investigator in the high-profile Enron case, Mark Sullivan specializes in loss prevention, fraud prevention and detection, and corporate investigations. Sullivan shares with us some recent investigations and tells how Kroll is able to uncover the root of almost any issue using state-of-the-art computer forensics. [More...](#)



Linda Usoz – Kirkpatrick & Lockhart Preston Gates Ellis LLP

Attorney – Benefits/Employment/ERISA

International law firm Kirkpatrick & Lockhart Preston Gates Ellis LLP represents companies of all sizes and has an emphasis on emerging growth companies. Partner Linda Usoz describes her firm's specialty and discusses how a new law called the California Labor Code Private Attorneys General Act of 2004 has had a great effect on wage and hour disputes. [More...](#)



Steven Manekin – Ellin & Tucker, Chartered

Accountant – Business Management

Steven Manekin, CPA is a Director of the Baltimore-based certified public accounting firm Ellin & Tucker, Chartered, who has earned a reputation as a specialist for assisting attorneys in starting up their own firms. Read about Manekin's work with attorneys as well as how Sarbanes-Oxley has sparked an influx of clients for his firm. [More...](#)

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"We can help growth companies build out their teams, as well as raise capital, quickly and inexpensively. I am looking for the following leads: 1) a venture-backed tech company CEO/President who is looking to grow his/her management/sales team; 2) a publicly traded microcap company CEO/CFO looking to raise capital through a private placement [PIPE]; 3) any VC that has a portfolio of tech companies; 4) a privately held tech company founder or CEO who is looking for help raising an A or B venture round."

Tim Tonella is the CEO of MatchStar Venture Search, a boutique executive recruitment and placement firm that services the venture capital community and venture-backed tech companies. Tim and his team are specialists in building early-stage management teams, as well as helping to source funding through the VC community. Tonella recently met with *clique* to discuss MatchStar and his philosophy on networking.

clique: Tim, can you tell us a little about MatchStar Venture Search and your role with the company?

Tim Tonella: We're an executive search firm that has a very specific focus. We work almost exclusively with Series A and Series B funded venture-backed technology companies. We do as much work on the East Coast (Mid-Atlantic to Boston) as we do in the West, although we're currently running searches in Florida, Texas, and Ohio. The firm was started 10 years ago but has been aggressively growing every year. MatchStar's placements are VP, Officer, and Director-level positions only – those core team members usually reporting directly to the CEO. We are introduced to our clients 50 percent of the time through VC board members and cover most domains in technology.

clique: What is the typical size of a company you work with?

Tim: The companies can be anywhere from pre-rev up to \$50 million in revenue. We have a unique business model that provides a service/process as good as, if not better than, the nationally branded retained search firms; yet our fee model is more aligned with what you'd find in the contingency world. Our process, business, and fee models were designed specifically around the unique needs of early-stage companies. We have a two-step process, however, that makes us very different than the large retained firms. We're going out to a "network of

networks" that we've built over the past decade, comprised of over 20,000 executives. Five thousand of those are institutional investors, usually VC and private equity board members of tech companies, as well as 7,000 tech CEOs. The remainder are VP and officer-level candidates. Additionally, we have a six-person research team that's going out and doing what we call "target select" head-hunting, where they are contacting candidates from targeted source companies at competitors, customer channels, or related vertical industries. In every case, we're going after gainfully employed folks and trying to convince them to take a look at our opportunity. So we aggressively use our research team while concurrently tapping into our proprietary national network. As a result, we're extremely fast and can usually begin presenting world-class candidates within two weeks of launching the search. That's something that makes us very different than almost everybody else out there.

clique: What are some of the other advantages of going with your company over one of the nationally branded firms?

Tim: A couple of things. We require a very small deposit to launch a search versus a retained search firm that typically requires you to lay out 2/3 of the fee in advance. Additionally, we're about 50 percent of the cost of a retained firm in base fees, and we never charge out-of-pocket expenses to our clients. We operate non-exclusively, which is another very big difference between us and other retained firms. We've chosen to provide our clients this flexibility because early-stage companies can't afford to limit their sourcing opportunities. In the event a board member produces a great candidate at the eleventh hour, we don't want to be a barrier by demanding a fee for someone we didn't produce. So non-exclusivity is a big deal and a big risk that we bear on our clients' behalf.

SAN FRANCISCO
CHAIRPERSON

Tim Tonella
MatchStar Venture Search

Professional Category:
Recruiting –
Executive Search

Member Since:
May 2002



“Our process, business, and fee models were designed specifically around the unique needs of early-stage companies.”

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clique: What is something that our members may be surprised to learn about the recruiting industry?

Tim: We find that the majority of time a qualified candidate doesn't workout, once hired, usually has to do with poor adaption to the company's stage. Frequently, early-stage CEOs want a certain level of domain expertise and an established Rolodex. While many candidates sound great on paper and may have indeed been superstars at middle-market or Fortune 1000 companies, they struggle with the day-to-day challenges facing a start-up. Working with limited resources, few reference-able clients, and undefined roles is an entirely different proposition than the comforts frequently taken for granted in larger organizations. So we provide a lot of coaching to our CEOs. And one of the reasons they'll often engage us is because we really are experts in understanding the subtleties of what it takes to adapt and succeed over the long term in an early stage environment. Stage adoption, cultural fit, style, start-up experience, and heart count for as much as knowledge and experience in our space.

clique: How would you say the executive search industry has changed over the last five to ten years?

Tim: I would say the biggest change is the impact of technology in helping smaller boutique firms compete effectively against very large national firms. New technologies have clearly leveled the playing field in the research phase and allowed us to connect into lots of deep networks. It has leveled the playing field in many other ways as well. Years ago, large retained firms had a competitive advantage because they had scale, financial resources, and entrenched networks, which allowed them broad access to candidate pools. Today, small companies like us, using technology, new tools, and low-cost, more efficient processes, have the ability to tap into an almost endless stream of networks and really make those connections.

clique: In general, what is the business climate like in San Francisco at this time?

Tim: The current climate in San Francisco has been really strong. In terms of the San Francisco Bay Area, the venture market has been fairly robust over the past year. A lot of companies continue to get

funding, and we're seeing more early stage (series A) investments. There have been a large number of exits these days, funded through private equity firms, as well as a moderate IPO marketplace.

clique: What should the members know about you that will help them provide you with qualified leads?

Tim: I'm looking for connections into private equity firms and venture capital firms. Anyone who is an institutional investor that sits on a board, primarily a board of a Series A through C technology company, is a great source for us. They are oftentimes very involved in the decision-making process for their portfolio companies' core management teams. As such, they are our best cross-referral sources. The second kind of contact I'm looking for is the CEO of the technology company itself. 99 percent of the time, our relationship is directly with the CEO, as they are personally selecting the search firm and making the candidate hire. Because the companies we work with are so small, we rarely deal with an HR manager or other intermediary. Our relationship is almost always directly with the reporting manager, and that reporting manager is usually the CEO of the company. And did I tell you that we always pay for referrals that lead to a hire? Our referral fee won't send you into retirement but will make for a fun Vegas weekend... and we all need a few of those once in a while.

clique: As you know, in networking, you have to give before you can get. What do you bring to the table for your fellow members?

Tim: I have an extremely large network in California that's been built over 20 years through my various different lives. Beyond that, I can tap into MatchStar's huge network of over 10,000 CEOs and institutional investors. I clearly believe in quid pro quo but have always had the philosophy of "giving in order to receive." And for me, personally, the amount I've given has far outstripped what I've received... although I have clearly received a lot in return. Financial karma is a beautiful thing!

If you want to contact Tim Tonella about MatchStar Venture Search or the San Francisco chapter, call (415) 504-6721 or e-mail him at tim@matchstar.com.

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