



## Debbie Monosson: Growing into her CEO role, filling her father's shoes

Debbie Monosson should have run for the exit after receiving her first commission check at Boston Financial & Equity Corporation.

After wrapping up a \$9,000 equipment leasing finance deal, Monosson received the lordly sum of \$2.

She had negotiated the commission with her father. Sonny Monosson was a one-of-a-kind entrepreneur who gave his daughter a sales job after she left the brokerage industry.

“I did have a salary,” Monosson recalled during a recent interview. “I knew I needed to learn sales. I was a little bit shy, maybe a lot. And I knew nothing about the leasing business.”

She joined her father’s company in 1989 after a stint with what she describes as a poorly run software company that competed against Lotus Development Corp. and its 1-2-3 spreadsheet program.

The small commission checks at Boston Financial & Equity didn’t deter Monosson, though. She learned how to network with venture capitalists to build her company’s portfolio of clients. And in 2000, she took over the business her late father started in the late 1960s. Now, she also is chairman of the Commercial Finance Association, an industry trade group whose members include large commercial banks and small non-bank lenders.

Non-bank asset-based lenders such as Boston Financial & Equity play an important role in helping startups and struggling companies develop into larger enterprises. Often, these companies cannot get financing from large banks, but need interim capital to get over the hump, especially in a rough economy.

The financing can be expensive, with annual interest rates ranging from 10 percent to 15 percent.

“It’s few and far between that someone begrudges us over the rate,” Monosson said. “We come in when no one else is around.”

Past clients include America Online when the company was known as Quantum Computer Services. Monosson said she still has a business plan from the company, which back then envisioned building a shared network for Commodore Computer users.

Sonny Monosson was a master at self promotion who loved computers. He once donned a sandwich board advertising his company on the Atlantic City boardwalk.

His marketing tactic rankled the organizers of the National Computer Conference. He figured his sandwich board was cheaper than paying for a booth inside the convention.

“He did his own PR. He didn’t care what other people thought,” Monosson said.

As her father did, Monosson has kept Boston Financial & Equity’s operations lean and spartan.

There are far more potted plants than employees, which number eight including Monosson. The company’s Boylston Street office is missing ceiling tiles, but Monosson, a Red Sox season ticket holder, is across the street from Fenway Park, in full view of daily Red Sox tours. Her all-time favorite Red Sox player is Mike Andrews, an infielder who hit .258 over eight major league seasons and now is chairman of the Jimmy Fund.

Boston Financial & Equity’s office also features an assortment of 1960s-era computing devices, a reminder of Sonny Monosson’s days as a large reseller of tech equipment.

There’s a Digital Equipment Corp. PDP-8 computer that was introduced in the mid-1960s and a Friden 130 electronic calculator that weighs more than a bowling ball.

After graduating from Skidmore College in 1979, Monosson got a job with a small Boston mutual fund company. The job was unremarkable.

“I can’t remember the name,” she said.

Monosson, 52, then worked at brokerage E.F. Hutton, where she learned how to trade gold, silver, orange juice and pork bellies futures. She followed her boss to Dean Witter, still working in downtown Boston. But after getting her Series 7 securities license, she realized the brokerage industry wasn’t for her.

She wasn’t fond of cold calling, but found herself working for Sonny, calling on VCs whose higher risk portfolio companies needed equipment financing. She spent about 40 percent of her time on the road, crisscrossing the country.

For an asset-based deal, a company might not be profitable, but it has \$500,000 to \$1 million in receivables, for example. Boston Financial & Equity might loan 80 percent of the company’s 90-day receivables balance.

The risk is more than what a bank might stomach, but Monosson’s company is betting the borrowing company itself has solid customers that will pay their bills. As invoices come in, Boston Financial & Equity advances funds to the borrowing company.

“We look at ourselves as interim financing,” Monosson said. “We’re happy to have them for one or two years and see them move on to a commercial bank.”

Sometimes these deals sour. Quintessence Photonics Corp, for example, said it missed a lease payment to Monosson’s company in October. Boston Financial & Equity moved quickly to recover the equipment, as it still was owed nearly \$264,000 under a master equipment lease, regulatory filings show.

But when a deal unravels, Monosson admits, she gets an adrenaline rush.

“It’s exciting trying to figure out how to make it work,” she said. “What we do fills a huge void. If companies like ours weren’t around, there would be a lot more companies having problems.”