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MOVERS & SHAKERS

by Mary Jane Auer

In this age of megamergers, most people believe that to survive among the titans like AOL Time Warner, bigger is a whole lot better. But **James Harris**, the founder of Seneca Financial Group in Greenwich, Conn., continues to think that small is beautiful.

Seven years ago, he left Lehman Brothers, where he was head of the financial restructuring group, to start his own corporate restructuring firm. He borrowed the Seneca name from the Roman stoic, Lucius Annaeus Seneca, who said: "It is quality, not quantity, that matters."

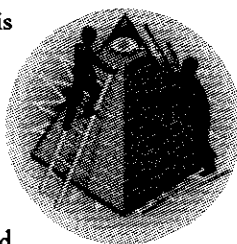
Harris, 52, couldn't agree more. His firm, which specializes in small to medium-sized deals, employs nine, including his wife, Linda, who is chief administrative officer. "We're never going to be a Seneca.com," he admits. Seneca clients tend to be industrial. Last month, the firm helped Fort Lauderdale marine shipper Hvide Marine offload about \$700 million of debt and emerge from Chapter 11 about 100 days after filing for bankruptcy. Other clients include Health-Chem, a synthetic fabric maker, Koppers Industries and KIWI International Airlines.

Sweating the small stuff has worked well for Seneca which has doubled its revenues every year for the past five. "The deals we do are complicated and take a fair amount of time which requires senior-level attention," he says, adding that, "at big banking firms, senior people don't

get involved with anything less than \$1 billion."

Harris started his career at Citibank, where he headed the specialized industry group. He joined Lehman in 1982. The frenetic pace of investment banking was brought home to him when, two days before he was to start his new job, he found himself on a flight to Spain to help with the restructuring of Lehman client Explosivos Rio Tinto, which had run out of cash.

It was also the largest restructuring of a European company. Says Harris, "No one else wanted to go. I was the most junior guy, and I couldn't say no." After three days, he had a plan in place to keep the company operating, and a week later Explosivos Rio Tinto had a \$60 million cash balance. Handling emergencies like that is something Harris's hero, Seneca, the chief adviser to Emperor Nero, would have understood.



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