By Michael Douglas Carlin

“Compound interest is the eighth wonder of the world. He who understands it, earns it ... he who doesn’t ... pays it.”

- Albert Einstein

A 22-year-old kid with an insatiable desire for success carried around the Forbes 400 and memorized every detail of the wealthiest Americans. As a recent graduate of UCLA and an entrepreneur, he sent in his resume to Platinum Equity and got a telephone call from Platinum Equities’ human resources that would change his life. Alex Soltani knew that he wanted to work for Tom Gores to learn the ropes of private equity, and the formula for creating tremendous cash on cash returns.

Moving to work for a company could be perceived as a step down for Soltani that had founded All Digital Communications, a nationwide B2B wireless telecommunications firm, where he forged long-term alliances with the largest national wireless carriers that would prove invaluable to his future. As he tells the story, “Sometimes you have to take two steps back for a substantial leap forward.”

Soltani’s step forward included impeccable timing, joining Platinum Equity just as its business model was beginning to shift. From 1995 to 1998, Platinum was focused on transactions in the under $50 million range, but moved upstream relatively quickly. When Soltani joined Platinum in 2001, the company was in full swing handling large transactions. As Soltani’s primary responsibilities during his 13 months at Platinum involved sourcing new investment opportunities, he studied the best practices involving how to structure deals, how to streamline operations and how to exit the transaction with sizable profits. The final months of Soltani’s employment with Platinum saw the firm transitioning to a fund-like structure environment which resulted in crowding out the financing of smaller deals.

During these months at Platinum, Soltani saw over a dozen deals that had no ability to be consummated at the firm given its larger investment mandate. It was this recognition that inspired the establishment of Skyview Capital, and Skyview became the first of a number of private equity firms created by former Platinum executives.

Without Platinum’s infrastructure, the first two years were not easy, but Soltani persevered and ultimately closed his first transaction in 2005 with the support of a group of high-net-worth individuals that appreciated the strategy of buying mismanaged non-core, non-strategic assets of a public company. After a very significant 2010 successful exit, Soltani was able to fund his deals through his own internally-generated capital, building a sizeable war chest to fund Skyview’s next opportunities.

When consistently many of the deals generated north of 700% cash on cash, it doesn’t take long to employ the magic of compound interest in assembling internal capital to fund transactions.

Now Skyview has over 20 professionals that have operational, business development and deal execution expertise in various fields to augment the firm’s capabilities. Alex Soltani still has that insatiable desire for success and he still treats the Forbes 400 as his bible, always looking for gaps in America’s business community that will provide Skyview Capital with future opportunities. He currently is looking at a number of industry sectors that he sees as prosperous avenues for cash on cash returns. He has become quite skilled at harnessing the entrepreneurial spirit of a company’s founder to provide him or her substantial tools to amplify their collective business opportunities.

While he has graduated to bigger deals, Soltani remains adamant that the firm also continue closing deals in the $50-100 million-dollar range that created so much wealth for investors, company founders, and Skyview Capital. Skyview essentially became the replacement of the marketplace for deals that were previously done by Platinum Equity from 1995 – 1999 under $100 million range.

Skyview’s diversified portfolio includes the rideshare platform Hop Skip Drive, ready-to-drink Super Coffee, AI healthcare provider Pr3vent, data analytics platform Onpoint Global – just to mention a few, that all have tremendous market upside. One of those companies currently has two million in revenue but projected to grow to twenty million in 2019 with contracts, financing, and operational enhancements provided by Soltani and Skyview. Another new transaction brings aboard a highly scalable BPO/Call Center Management business whose 2017 revenues approximated $500 million with a worldwide workforce of over 15,000 dedicated employees.

In a few years, Soltani may soon see his own name on the Forbes 400 that has a lower rung of the 2.9 trillion dollar ladder, at 2.1 billion in net worth. We will all be watching with great interest as we see Soltani climb up that list by continuing to add value to companies harnessing the magic of compound interest utilizing his prescient investment instincts.

For five years Soltani and Skyview have been located at the prestigious 2000 Avenue of the Stars building. Moving here was like coming home to Soltani who attended nearby UCLA and previously worked in the 2049 building on Century Park East.