

# CLEAR VIEWPOINTS

*From Industry Leaders We Know and Respect*

**PKF** Clear Thinking  
A PKF O'Connor Davies Company

## **Q: You have more than 30 years of experience in lending, what compelled you to pursue this career?**

A: When I graduated college, the economy was exiting a recession and jobs were difficult to find. I was an accounting major with a focus in finance and was intrigued by various opportunities that GE Capital had to offer. I interviewed for both a job in the Financial Management Program (FMP) and as a field examiner. I decided on the field examiner role, mainly because of the travel and the opportunity to learn about a new company for each exam. It was at a very early stage in my career when I found that I really enjoyed working on deals. Each company is different with unique challenges. It was exciting to try and solve problems for each company in a personalized way.

## **Q: Is there a business philosophy that defines and drives you?**

A: I live by a couple philosophies. Open, honest communication is always the first one. Clients want to feel included. If you aren't transparent or don't communicate the full picture, they don't feel like part of the bigger focus. The second philosophy is 'Persistence always overcomes resistance'. In our business, we problem solve and sometimes we solve very big problems. Normally, solutions present themselves if you think through the data and the facts. But sometimes, outcomes you never originally envisioned only come through continued persistence.

## **Q: What was your opinion of business toward the end of 2023?**

A: In our market, business has been strong. Rising interest rates, high inflation that was never transitory,

and a few bank failures have made the lower-middle market a tough place to secure financing. Our financing solutions have helped numerous borrowers gain access to capital that may not have otherwise been available to them. We have seen strong pipeline opportunities in both our asset-based lending (ABL) and factoring platforms.

## **Q: Why do you think businesses are moving toward alternative lender financing?**

A: It's not easy relying on a bank as your lender. Banks are highly regulated and, given some of the bank failures driven by a run on deposits, many banks have concerns about extending credit in three-to-five-year committed facilities. This has led to many banks asking some customers to exit, which has created a number of opportunities for non-bank finance companies like Mountain Ridge Capital and Alpine Ridge Funding.

## **Q: What is your current impression of the marketplace?**

A: There are a lot of opportunities for us to provide working capital solutions to the lower middle market. We continue to see a robust pipeline and believe that will remain the case for the near future.

## **Q: Interest rates are at a 22-year high, how is this affecting middle-market businesses?**

A: It's been difficult for many middle-market businesses, especially lower-margin companies. If your margins are 15% and your cost of funds is at 10%, you can't afford a lot of overhead to run your business. This is where Mountain Ridge Capital and Alpine Ridge Funding can be helpful. By providing additional working capital to fund operations, there are a lot of opportunities for us to provide working capital solutions to the



### **Craig Winslow | Chief Executive Officer, Mountain Ridge Capital**

Craig Winslow has been devoted to asset-based lending since day one of his career as an ABL field examiner auditing loans. Many loans later, Craig became a managing director at GE Capital and chief credit officer of GE Capital's Retail Finance Group, with responsibility for that firm's entire US and Canadian retail loan portfolio. Craig was also deputy risk officer at the middle-market consumer growth investment firm L Catterton. Craig has a special expertise in turnaround and restructuring challenges. He is a longtime volunteer with Junior Achievement, the nonprofit business education group for young people.

lower-middle market.

**Q: How does Mountain Ridge Capital find deals?  
Where do your referrals come from?**

A: We find deals either through referrals or direct origination. We have many partners who proactively seek us out given our ability to close creative solutions quickly. Partners are advisors, turnaround consultants, law firms, CPA's, etc. We are a very flat organization that can decide deals quickly to give borrowers the certainty of closing in a timely fashion - a unique skillset, especially within the financial services industry.

**Q: Why are so many companies experiencing reduced liquidity?**

A: Liquidity has been negatively impacted by higher interest rates, inflation, increased shipping costs, higher healthcare costs and increased wagers. Delays in receiving inventory and having too much inventory on hand have also led to liquidity challenges.

**Q: What are some of your personal interests?**

A: I love sports and auto racing. I have five wonderful children who keep me busy!



**About PKF Clear Thinking LLC**

PKF Clear Thinking LLC offers advisory services that help companies succeed, at any stage of their life cycle, with clear direction and practical, actionable solutions. The Firm engages with healthy companies to create value and works with troubled companies to preserve value. Our track record and years of experience working on hundreds of successful engagements has propelled us to become a trusted and respected advisor.

PKF Clear Thinking LLC is a subsidiary of PKF O'Connor Davies Advisory LLC, a full-service certified public accounting and advisory practice with a long history of serving clients both domestically and internationally. With roots tracing to 1891, PKF O'Connor Davies has 18 offices in New York, New Jersey, Connecticut, Maryland, Massachusetts, Florida and Rhode Island and more than 1,500 professionals providing a complete range of accounting, auditing, tax and management advisory services. For more information, visit [pkfct.com](http://pkfct.com).