



Orlando HR firm scoops up Nelco CoAdvantage acquires outsourcing pioneer

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BRADENTON -- Ginny Dorris, one of the pioneers of Bradenton's professional employer organization industry, has sold Nelco, her 24-year-old human resources outsourcing company.

The buyer was CoAdvantage, an Orlando competitor that processes payroll and employee benefits for companies with 10 to 2,000 employees.

The price of the sale was not disclosed.

"We spent decades building Nelco's excellent reputation," said Dori Rath, Dorris' daughter and Nelco's president, in a statement. "We didn't want to sell the company to anyone less. We are incredibly pleased with the acquisition."

CoAdvantage, which was founded in 1997 and recently purchased PlanSource, a Salt Lake City-based PEO, is now one of the top 10 PEOs in the country, with projected 2007 revenues of \$106 million.

With its two new acquisitions, CoAdvantage now provides payroll, benefits and other human resources services for 30,000 employees of client companies in Florida alone.

"This gives us the size to become a tier one player and the ability to serve clients through more efficient and effective methods," said Ben Hewitt, president of CoAdvantage.

The merger of equals was brokered by Hyde Park Capital, a Tampa-based investment banking firm.

"We were hired by Ginny Dorris because people had been knocking at her door insistently for a long period," said John Valentine, vice president of Hyde Park. "After a couple of heart attacks, she decided she wanted to step away and go through the formal M&A process."

Nelco looked at more than 40 buyers before deciding to go with CoAdvantage, a statement released by CoAdvantage said.

"The people who run CoAdvantage have a good track record," Valentine said. "They are the same people who started Zerochaos, which processes benefits for Fortune 500 companies.

"Nelco complements them quite nicely."

Dorris, an accountant by trade, founded National Employee Leasing, now known as The Nelco Cos., in 1983.

Unlike Lakewood Ranch-based Gevity HR, known as Staff Leasing Inc. when it was founded at about the same time, Dorris focused on Nelco's bottom line and never reduced prices to gain market share.

In a 2004 interview with the Herald-Tribune, Dorris acknowledged that her decision bothered her after she saw Bill Mullis, Staff Leasing's founder, make a fortune when he sold part of his company to equity investors and later benefited when those investors took the company public in 1997.

But Dorris did not change her style.

With her daughter, Rath, she built Nelco into a company with 70 internal employees that services the payroll, benefits and workers' compensation insurance needs of more than 15,000 workers around the state.

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