



Skvarla has done everything from starting a law firm to salvaging a trash-chute company.

# The eclectic cool jobs acid tests

## JOHN SKVARLA III

Attorney, serial executive

By Kim Nilsen

**RALEIGH** – John Skvarla likes to joke that he misses being a garbage man.

Skvarla in August completed a stint saving a company called Wilkinson-Hi-Rise from the corporate scrap heap. Wilkinson, one of the world's largest manufacturers of trash and linen chutes, had been buried under a heap of negative cash flow despite \$13 million a year in annual revenues. It was scuttled by parent Hi-Rise Recycling Systems shortly before that company filed for Chapter 11 protection in February 2002. GE Capital, Hi-Rise's major creditor, then tapped Skvarla and his partners for the Wilkinson reclamation project.

It took only a year for Skvarla and his team to return Wilkinson's cash flow to the black. They sold the company back to a restructured Hi-Rise in a deal that closed in late July.

The Wilkinson job was just the latest line on Skvarla's eclectic resume. He founded a law firm during the 1970s, then segued to the

executive suite to help run one of the world's largest all-cargo airlines. He followed the sale of that company with an 11-year stint as chief executive officer of a chain of physical therapy centers. When that company sold, he moved on to open the Raleigh outpost of the investment bank Duff & Phelps. He also found the time in the mid-1990s to co-author a book about the U.S. health-care system.

"You have to have the willingness to step off and do something outside your comfort zone," Skvarla says.

That willingness has paid dividends for Skvarla, now 55. He was CEO of Pro Active Therapy when the company sold in 1998 for approximately \$50 million to NovaCare, a Pennsylvania company with a national physical therapy network.

On his watch, Pro Active reinvented itself from a health technology venture called Iso-Technologies into a chain of 60 physical therapy centers that generated \$25 million in annual revenue in 1997.

"He's the consummate deal maker," says Larry Robbins, Skvarla's former law partner.

Skvarla was born in Oak Ridge, Tenn., where his father worked at Oak Ridge National Laboratory. He grew up in Tuxedo Park, N.Y., where he began caddying for pay at age 10. That early job grew his passion for golf. Skvarla and his wife, avid golfer Elizabeth Skvarla, live in Raleigh but have long kept a second home in Pinehurst, North Carolina's most famous

### JOHN SKVARLA III

**Career:** Founding partner, Skvarla, Wyrick and Robbins law firm; COO, The Aviation Group; CEO Pro Active Therapy; managing director, Duff & Phelps investment bank; chairman, Wilkinson-Hi-Rise

**Age:** 55

**Hometown:** Tuxedo Park, N.Y.

**Education:** BA Economics, Manhattan College; JD University of North Carolina at Chapel Hill Law School

**Family:** Wife, Elizabeth; son, Matt, 26; daughter, Kate, 23

**His own car is:** 1948 Packard convertible; 1948 Ford convertible; 1956 Bentley

# SKVARLA: Biggest regret is selling antique car

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golf enclave. Friends say he's nearly a scratch player.

After graduating from law school at University of North Carolina in 1973, he started as an associate with a boutique Raleigh firm that specialized in business and tax law. Skvarla eventually became a partner with Sam Wyrick and William Pinna.

In the mid-1970s, student Larry Robbins discovered the firm through a note card tacked to a job bulletin board at UNC. Robbins took the clerk's job. He says Skvarla was able to inspire respect and fierce loyalty in his colleagues and employees, in part by showing that he had climbed up through the ranks.

Skvarla, Robbins and Wyrick teamed up in 1978 to start their own firm, now Wyrick, Robbins, Yates & Ponton. Skvarla left in 1984 to help run The Aviation Group. The startup was one of the law firm's clients and had grown wildly. The company provided overnight package delivery for clients such as United Parcel Service, Purolator and Burlington Northern. Aviation Group sold in 1986 to Primark for \$140 million.

Skvarla, the young lawyer, had served as chief operating officer. He oversaw 1,200 employees, including 400 unionized pilots, and helped line up public and private financing.

"It's fun seeing all the gears fit," Skvarla says.

That sentiment isn't surprising coming from Skvarla, an antique car enthusiast. Skvarla owns two 1948 convertibles – a Packard and a Ford – and is part owner in a 1956 Bentley. When asked about his worst misstep, he points not to a boardroom decision but to parting with his 1930s Woody station wagon.

"I don't think John is particularly the retiring type. We get a lot of pleasure out of doing business," says Todd Robinson, a frequent business partner who was involved with the Wilkinson turnaround. Friends say Skvarla is a rare combination of hands-on manager and big-picture transaction negotiator.

From his 19th floor office in Raleigh's BB&T building, Skvarla has been contemplating his next move. The Duff & Phelps name still marks the entrance despite the fact he hasn't worked for the investment bank since 2001. For three years, Skvarla focused on mid- and small-cap markets for the bank, which has since limited its locations to New York, Chicago, Seattle and Los Angeles.

"He gets very close to the business and the customers," says Robinson.

Skvarla and Robinson returned Wilkinson to positive cash flow without slashing staff. "It doesn't take a bull whip. It takes direct leadership," Skvarla says. "It was a function of getting people focused."

And not throwing them out with the trash.