

PROFILE

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Jonathan Blue

Chairman and managing director,
Blue Equity LLC

Personal

Wife: Tracy Blue

Daughters: Talia, 7, Tamar, 5

Hometown: Louisville

Date of birth: Jan. 31, 1967

Residence: Mockingbird Gardens

Education: Bachelor's degree in economics, University of Pennsylvania, Philadelphia, 1989

Hobbies: Participating in triathlons, reading, collecting baseball memorabilia

What he drives: Range Rover

Favorite book: "Time and Again," by Jack Finney

Membership: Adath Jeshurun Synagogue

On the importance of communications: "E-mail is a tremendous thing. I've been accused of sleeping with my BlackBerry."

On being in the spotlight: "I think it's very flattering when people call and ask for your opinion. I think it's an honor when people call and ask me to serve on boards. I'm not doing it to put myself in the spotlight. I'm doing it, hopefully, to make a better city and to grow businesses."

What he loves about Louisville: "I don't think there's anywhere else in the country where there's so much to offer as this city has where you can accomplish it all in one day. There's a lot to be said for that."

Civic involvement

Board memberships: Cardiovascular Innovation Institute, Jewish Hospital & St. Mary's HealthCare Inc., Main Street Association, Downtown Development Corp., Greater Louisville Inc. executive committee

Career

2005-present: Chairman and managing director, Blue Equity LLC, Louisville

1999-05: Managing director, Cobalt Ventures LLC, Louisville

1998-99: Vice president, Progress Rail Services Corp., Louisville and Atlanta

1992-98: Senior vice president of rail services, Louisville Scrap Material Co. Inc., Louisville

1989-92: Associate, APM Inc., New York City

What they said

Tracy Blue, wife: "He's not the kind of dad who comes home and watches TV or he's on the phone all the time. He's there. He's participating."

Louisville Metro Mayor Jerry

Abramson: "He's a guy who is willing to step up and articulate a vision for his hometown and put his money where he feels it ought to be to realize that vision."

Ed Glasscock, co-managing partner,

Frost Brown Todd law firm: "He approaches every situation with a can-do attitude and is a genuinely nice person. Fortunately for this community, he is young ... and has a long business career ahead as well as many years to continue his volunteer efforts."

Making a splash

Entrepreneur Jonathan Blue dives into new projects with solo venture

BY JOHN R. KARMAN III
BUSINESS FIRST STAFF WRITER

Jonathan Blue is not a guy who is easily satisfied. For proof, you don't have to look any farther than his morning routine. Up at 5:30 when he's in town, the entrepreneur and investor starts his day by working out in his home gym, swimming at a nearby pool or riding his bicycle. It's about a two-hour exercise session.

Blue has competed in half-Ironman competitions, triathlons and marathons and looks every bit the fine-tuned athlete. Yet the 39-year-old Louisville native will tell you that improving his physical training and personal habits is one of his biggest challenges as he looks to the future.

There's always more that he can do, he says.

Finding the time also is a challenge.

Blue is chairman and managing director of Blue Equity LLC, a recently formed private equity firm with a wide-ranging portfolio of businesses, including financial services, media, real estate, and sports and entertainment concerns. He has an extensive list of civic activities and board memberships. And he's married and the father of two young daughters.

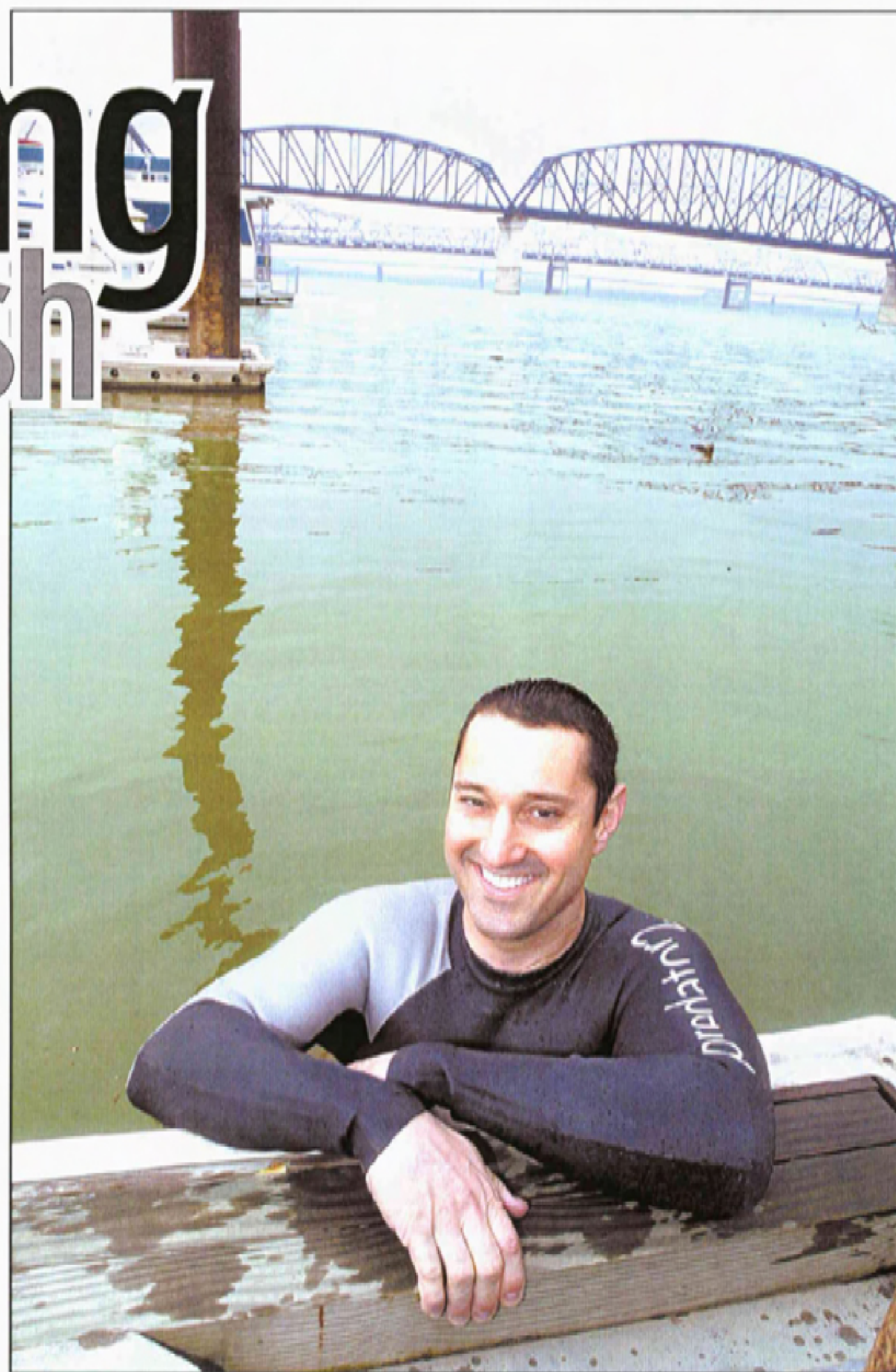
"My most valuable commodity is time, and it's the thing I have the least of," he explains.

Split with brother led to new firm

Blue, along with his younger brother, Todd, came to prominence and became household names in the Louisville business community a handful of years ago when the city was courting NBA franchises and the two publicly championed the cause.

Until last year, the sons of Louisville scrap-metal magnate David Blue spent more than five years leading Cobalt Ventures LLC, another private equity firm that invested millions of dollars developing real estate in the East Main and East Market street corridors.

They were lead investors in Preston Pointe, the unique, seven-story office and condominium building with the sloping roof at Preston and Main streets. Blue Equity has its offices on



Jonathan Blue, chairman and managing director of Blue Equity LLC, competes in triathlons as a hobby. Here he is shown in his wetsuit in the Ohio River.

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BUSINESS FIRST

the second floor there.

The Blues also became two of the city's most visible and prominent supporters and ambassadors, in a fashion, for the under-40 business crowd.

But a business split that still has the local corporate community buzzing ended the Blues' partnership in 2005.

Jonathan Blue started his own investment firm, taking some business interests with him.

Todd Blue, 37, continues to operate Cobalt Ventures, concentrating on commercial real estate development but also investing in mining and restaurant projects.

Root causes of separation remain a mystery

Both of the brothers remain hesitant, even evasive, when discussing the demise of their business partnership. They insist that the split wasn't as ugly as many believe and say they continue to have strong family ties.

"I think any split's difficult," Jonathan Blue says. "Everything is difficult. It's family. It's business."

"There has to be a leader and a captain of every ship," he adds. "But I think at the end of the day, the city wins, and we both win individually."

Todd Blue says that he and his brother are "different characters" with diverse passions. He adds that the brothers still get along "for the most part."

"I think we just have different interests," Todd Blue explains. "I admire him and a lot of the skill sets that he has. He is a tremendously focused guy. He is very diligent and does a great job putting his mind to things and really sticking to and staying on focus."

Waffle House is a weekly stop

Focused is a word that often comes up when people describe Jonathan Blue. So is structured, a term used by his wife of nearly eight years, the former Tracy Stege of St. Louis.

Tracy Blue explains that it's not unusual for her husband to carefully map out the weekends for the family, which includes daughters Talia, 7, and Tamar, 5. He makes lists and crosses off items as they are completed.

Five or six activities can be on tap for a Saturday or Sunday. Some typical stops might include a museum, a movie, a park and a bookstore. And Waffle House is a must for the family on Sunday mornings.

"Jon is very structured," Tracy Blue

BLUE: Louisville entrepreneur called a 'bright, progressive thinker'

says. "He likes to have everything planned out. That's the way we both are. It's always something. We always have an agenda when Jon's home."

Focused businessman has caring family side

Jonathan Blue met his future wife in the early 1990s while making a sales call for Progress Rail Services Corp., a company he went to work for after it bought the Blue family business, Louisville Scrap Material Co. Inc.

She was working as a vice president of a railroad-supply company.

Tracy Blue recalls that the two didn't exactly hit it off at first. Both were "strong-headed," she said, and business interests got in the way.

Eventually, the couple began to see each other socially and found they enjoyed each other's company. After several years of distance dating, they married in 1998, and Tracy Blue moved to Louisville. They live in the Mockingbird Gardens area.

Tracy Blue says that when most people see her husband, they see only the professional side, which can be pensive and analytical. She sees the more playful, caring side as he wrestles with their daughters and teases them, reads to them or gives them an impromptu spelling bee over breakfast.

When he's out of town on business — which is often once or twice a week — he leaves letters for his girls, Tracy Blue says. The letters may contain some marching orders but are always signed with love.

"He puts us on a pedestal," Tracy Blue explains. "People don't see that side of him."

New equity firm has multiple holdings

When he's away from work, Jonathan Blue is focused on family. When he's working, he's not easily distracted from the task at hand, according to those who know him well. Blue routinely works 70-hour weeks, and his drive has not gone unnoticed by the Louisville business community's "old guard."

"Jonathan Blue is one of the emerging business leaders in Louisville," says Ed Glasscock, co-managing partner of the law firm Frost Brown Todd LLC. "He is a serial entrepreneur, constantly uncovering and evaluating new ideas. He is a bright, progressive thinker who believes in Louisville and sees potential in his hometown."

Louisville Metro Mayor Jerry Abramson says he appreciates Blue's love of Louisville and sees the entrepreneur as a problem solver who will provide "guidance and intelligence" for the city in the years to come.

"I think he's just a tremendous asset to our community," Abramson says. "We need his kind of leadership and entrepreneurship because his is the generation that takes the reins and leads us ultimately through the 21st century."

"He's somewhat of a quiet entrepreneur when it comes to the way he interacts around the community," the mayor adds, "but that, I think, belies his mind, which is working at the speed of light."

Blue's latest venture, Blue Equity, shows the diverse range of his interests. The company, including its subsidiaries, has about 400 employees. Its affiliates include Cobalt Publishing LLC, a nearly 200-employee company that is the nation's largest independent publisher of Spanish-language Yellow Pages directories, and First Omni Mortgage Lending, a 170-employee firm.

Also under the Blue Equity umbrella is Blackstone Media Group, a sports and entertainment promotions company, several commercial real estate holdings and a philanthropic arm.

Interests always diverse

Blue says he always has been active in

many pursuits, dating back to his childhood. He was encouraged by his parents, David and Linda, to pursue anything that captured his attention. His parents divorced when he was a teen, and he split time between the two.

Blue tried his hand at ice skating, leather work and collecting baseball cards and memorabilia as a child. He continues to be an avid collector of items related to the national pastime.

A strong student, Blue also played soccer at St. Francis High School and, later, at the University of Pennsylvania in Philadelphia, where he earned a bachelor's degree in economics in 1989.

Sale of family firm launched brothers' venture

After graduation, Blue spent three years as an associate with APM Inc., a New York City-based management-consulting firm. He worked with companies across the country on turnaround strategies, operations improvements and efficiency projects.

David Blue required his son to work outside of Louisville and earn a promotion before entertaining any ideas of working for the family firm.

Once he accomplished those goals in 1992, Jonathan Blue returned home and joined the fold. He rose through the ranks and eventually became senior vice president of Louisville Scrap.

In 1998, the Blues sold the company to Progress Rail — a difficult decision but one that provided the capital for Jonathan and Todd Blue to form Cobalt Ventures in late 1999.

Jonathan Blue stayed on with Progress Rail under contract for over a year to help guide the transition.

"It was bittersweet," Blue says of the sale of the family business.

Louisville Scrap was founded in 1913 by his great-grandfather David Blusinsky, a Russian immigrant who later shortened the family name. The scrap yard used to be on the site that is now Louisville Slugger Field.

"I saw the opportunities that would come down the road," Blue says. "I'm living my dream today because of that."

Making Louisville 'a big-time city'

Though often cast as the more reserved of the Blue brothers, Jonathan Blue is outspoken about his passion for Louisville and his desire to grow future leaders among the employees of his companies.

"Finding the leaders of tomorrow is where I spend a fair amount of time," he says. "Our city, due to its size and other constraints, has a dearth of talent. That's not a sleight. It's just fact."

"What I like to see is someone who has the raw talent and the drive and desire to come in, jump on the bus, be part of the organization and then take it to another level. I like to see people grow."

When asked to recount one of his proudest business accomplishments, Blue points to the 2004 Mike Tyson-Danny Williams bout that he and his brother helped to bring to Freedom Hall. The fight, which drew more than 17,000 fans, is indicative of what the city can do when people who feel passionately work together, according to the entrepreneur.

"To me, it told this community, 'Hey, Louisville, we can be a big-time city with a big-time event,'" Blue says. "I think we as a city and we as a population have an inferiority complex, and we just need to believe in ourselves a little more. I think it's starting to happen. Five years ago, I think it was totally different. I think we're definitely overcoming that."

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