



## Multi-boutique iM Global Partner plans to double its manager stable

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**Alliance Bernstein UK CEO hired to lead EMEA distribution as firm aims for \$150bn**

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French multi-boutique iM Global Partner has signed up Alliance Bernstein's former UK CEO to lead its EMEA distribution efforts, as part of its ambition to become a \$150bn asset manager inside the next decade.

On Tuesday, the company announced that Jamie Hammond has joined as co-deputy CEO and head of distribution for EMEA. Hammond will take direct responsibility for European business development, reporting to founder and CEO Philippe Couvrecelle.

The firm, which has taken minority stakes in six partner asset managers so far, plans to grow that number to between 12 and 15. It has grown to \$26bn AUM since it first invested in now-\$46bn AUM Polen Capital in 2015.

Previously, Hammond was CEO of Alliance Bernstein Limited (UK) and head of its EMEA Client Group. He joined the business in 2016, after 15 years with Franklin Templeton, latterly as the CEO of its UK operations.

He joins co-deputy CEOs Jeff Seeley and Jose Castellano. Seeley is responsible for leading US distribution and was previously head of US distribution at AMG funds. Castellano, who joined from Amundi Pioneer, is responsible for international distribution, in particular US offshore, Latin America and Asia Pacific.

Castellano said that Hammond will be working to consolidate and expand the firm's presence in Europe, while he will be focusing on other key markets where iM needs to secure a 'strong foothold.'

### **Distribution plans**

Distribution efforts will focus on the firm's partner asset managers. Couvrecelle said that iM Global will never force its partners to use its distribution resources but will make suggestions where it can.

"We never oblige the partner to work with us for business growth," he said. "For example, with Polen, the first goal for us and them was to get to UK markets and international markets... Now we have some cooperation in the US market. When we can bring something new to the table, we propose it. They say yes, they say no. And that's the way we do it."

To support partners' distribution, iM Global Partner has a Luxembourg domiciled Sicav through its outright acquisition of Oyster Funds. In addition, in June this year the company completed its acquisition of US wealth manager Litman Gregory.

Couvrecelle said he is open to further outright acquisitions to support partner distribution.

“If we find some opportunities to increase our distribution at the central or regional level, we will do it. We can buy another Sicav in Europe, or another distribution platform. We always have eyes open on these opportunities,” he said.

Polen Capital was iM Global’s first asset management partner, after it bought a stake in 2015. Since, the group has added US credit manager Dolan McEniry, US long-short equity manager Sirios Capital Management, liquid alt manager Dynamic Beta Investments, US value manager Scharf Investments and European equity manager Zadig Asset Management.

In terms of future deals, Couvrecelle said that he has a watch list of around 40 firms at any given time, though he does not want to build his partnership network beyond 15 businesses.

“After that we would be too big to be agile,” he said. “We don’t want to become a giant. We prefer to focus on a reasonable number of partnerships. I feel 12 to 15 is a maximum for us. After that, we want to make our partners grow organically where we can support that growth. We’re fully open to financing acquisitions for our partners as a shareholder.”

He said that iM Global would not invest in new businesses running similar strategies to those of existing partners, as cannibalization would be a ‘disaster.’

Current acquisition priorities include emerging market managers, both debt and equity, and the firm is looking at businesses in Europe, Asia, the US and beyond. It is also looking at credit, including US and global strategies, though Couvrecelle noted Dolan McEnire’s competence in the investment grade space. European equity and alt credit managers are also on his radar, as well as a multi-asset allocation specialist.

Couvrecelle said that he considers ESG a ‘very important topic,’ and he’s interested in the space, but not at the expense of performance and he thinks there are ‘very few’ managers with both ESG credentials and a proven track record.

“We will never do ESG for ESG’s sake,” he said. “The first mission of an asset manager is to create performance of a long-term horizon for its clients and nothing else. And if we can add ESG then that fantastic ... But there are very few.”

Illiquid asset managers, such as private equity or infrastructure are not a current priority.

Last week, iM Global announced its first debt financing deal, with a \$142m acquisition loan facility with Barings. Previously, the company has funded its growth with equity finance, as Couvrecelle did not want to take debt on too early in the business’s development.

For the firm’s own investments, he is a staunch proponent of the minority shareholder model, arguing taking majority control can stifle a business, and doesn’t necessarily lead to risk reduction.

“When you are in active management, if you control an entrepreneur, you find they’re not entrepreneurial anymore,” he said. “We saw that in Europe, when some boutiques with a strong majority shareholder blew up because they didn’t care so much about risk.”

Natixis Investment Managers is one such example. In 2019, the group ran into trouble after it emerged its London affiliate H2O asset management had invested roughly \$1.5bn across six bond funds linked to German financier Lars Windhorst, who had faced various legal problems, including bankruptcy and a suspended prison sentence.

In response, Natixis overhauled its risk management capabilities, adding compliance and risk teams at the group and the affiliate level. This was not enough to persuade Morningstar analysts, who questioned the enhanced risk management system after the H2O Allegro Fund lost 25% of its assets in March 2020.