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an InvestmentWires' Publication

Friday, April 04, 2014

## After J.P. Morgan, What Other Deals Could 2014 Bring?

So, **J.P. Morgan's Jamie Dimon** has sold off the bank's retirement business to **Great West Lifeco U.S.**, parent of **Putnam**, and helmed by **Bob Reynolds**.

A big deal to be sure, but could it be the catalyst for more moves within the industry?

According to Ed Higham, managing partner of the investment bank boutique **Silver Lane Advisors**, it might be.

"This is a big deal. It is continuing the ongoing consolidation within this space. There will probably be more deals coming," Higham recently told **MFWire**.

His firm is actually positioning itself now for an uptick in M&A activity in the asset manager space. Silver Lane is a boutique investment bank focused on the financial services sector, principally middle market M&A in the financial services sector. Headquartered in New York, the firm recently opened offices in Chicago and San Francisco, and is now "hiring strategically."

The partners at Silver Lane expect to see more deals this year because the industry is facing a Perfect Storm of challenges, including ongoing investor nervousness, pricing competition from ETFs and index products; costs tied to increasing regulatory and compliance requirements, and slimming margins.

"There are a lot of trends in the industry that are making things somewhat challenging for some mutual fund companies. The Golden Age of mutual funds has certainly leveled off," Higham said.

## Firms to Watch

Well, which firms are we watching at **MFWire**?

Of course, we're keeping our eyes peeled on the rest of **J.P. Morgan Asset Management**. We are also monitoring **Nuveen**, which has been held by Madison Dearborn for a while now.

**Russell Investments** has been in the dating scene for a while, according to published reports.

Russell represents that interesting hybrid of funds, indices and investing consulting services. **Wilshire** also fits that mold. Could it be an interesting fit for buyers with that kind of appetite?

**PIMCO** and **Legg Mason's Wamco** have been perennially rumored to be seeking their independence.

**Edward Jones** recently launched its own set of mutual funds, could asset managers respond by purchasing **DWS off the market** a while back (2012), but it is still worth paying attention to whether the bank succeeds in revving up the business.

Also, **MFWire** is keeping its eyes peeled on all the entrants into liquid alts territory. Nothing personal, it's just that '40 Act Country is hard to immigrate into, and so is the alts space. And there is now a stampede. Not all will make it.

Meanwhile, some firms are working hard to bolster their independence, like **Calamos**, which continues to buy back its stock.

Nonetheless, there seems to be a steady stream of potential buyers. **Hennessy Advisors** is more than a little peckish. **RidgeWorth** is ravenous.

There firms have already feasted this Spring: **Federated** buying \$421 million in fund assets; two firms, and **Legg Mason** buying an alts shop.

To be sure, some small firms with distribution issues can avoid acquisition by finding the right adopter. [is open to more](#). [Altegris](#) is looking for a few adoptees. [BPV](#) is looking as well.

Will any of these firms make deals this year? Who knows. They are just the ones on our radar for now. Feel free to correct us or inform us on any other possibilities at [Editors@InvestmentWires.com](mailto:Editors@InvestmentWires.com).

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