

FTfm

## The personal touch is the future – Berry chief

### Manager focus

Jamie MacLeod, the wealth manager's CEO, tells **Bob Campion** about his plans

Jamie MacLeod is a serial business launcher. He launched the investment arm of Scottish Widows in the 1990s – the fore-runner of Scottish Widows Investment Partnership – becoming its chief executive at just 29.

Five years later he launched Skandia Investment Group after pitching the idea to the Skandia bosses, asking for £700m (\$1,106m) seed capital. He remains a significant shareholder in SIG funds, but now he is three months into his next project – spearheading the growth of 30-year-old wealth manager Berry Asset Management as chief executive and he is as enthusiastic as ever.

"I care," declares Mr MacLeod. "I care about the investors, the returns, people's assets – people. I do not remember a time when I was not the first investor in something that I launched or brought to the market. I eat my own cooking."

Mr MacLeod bought a 20 per cent stake in BAM on becoming chief executive and has joined the board of its major shareholder, 160-year-old Swiss private bank Bordier. After a career building multi-manager funds, Mr MacLeod believes bespoke, personal client service is the future of the fund management industry. His clients – who have a minimum of £250,000 and an average of £700,000 of investable assets – get a discretionary portfolio management service tailored to their needs.

"We don't do automation and we don't do standardisation. I think this is the sector to be in because people want looking after personally and they want transparency. They want to be much more involved. They don't want to be shoe-horned into products."

Mr MacLeod sees the desire for more involvement as a consequence of the financial crisis and the disappointment of investors all over the world who relied too heavily on equities. "People thought their assets were uncorrelated and in 2007, 08, and 09 we saw they were not. Because they were not, people now want to be more involved." Portfolios are designed only after long conversations with clients. It is a very different approach to the world of high volume retail business built on economies of scale.

But unlike Mr MacLeod's previous enterprises, BAM is an established business with £700m of client money already under management. So what is he planning?

"I am still percolating my ideas," he says. "My priority is to ensure we look after our existing clients. The changes I am thinking about are that we need to ensure we are robustly

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positioned for the new world of RDR [Retail Distribution Review, which will ban commission on advised sales from 2013] – which I am a big supporter of."

Mr MacLeod also plans to forge closer ties with his equity partners at Bordier and has a keen interest in the self-invested personal pensions market.

"In the Sipp world as funds grow and people build up significant assets, specialist investment advice will be required. Sipp investors are unlikely to be able to go to a consultant, but they do need good advice that is cost-effective." Mr MacLeod believes those with smaller pots to invest should have access to

the same service and choices that wealthier investors command.

When it comes to macro views, Mr MacLeod's investment team is surprisingly positive about the domestic economy.

He is long UK, long equities, long gold and short Europe, but he is worried about inflation. "We think inflation is coming in the UK. It is not just the VAT increase, but people are back spending; commodity and food prices are rising – you just need to go and buy some beef to see how expensive it is." And despite his distaste for fund management "fads" he sees considerable quality in the industry. "There are some fantastically talented investment managers who continue to inspire investors".

His team uses funds, including exchange traded funds, to make up 90 per cent of client portfolios. "We like funds that

are absolutely disciplined in what they do."

He takes a keen interest in alternative Ucits funds – Newcits – which he sees as a valuable kitemark for investors. For Mr MacLeod, operational due diligence is one of the most important factors when selecting hedge funds or alternative strategies.

Mr MacLeod is joining an existing business with BAM, rather than launching his own, but he has lost none of his entrepreneurial drive. He puts his previous success down to focusing on developing products or services that he would want himself and that other people have asked him for.

"There are no special criteria – it is simply investment ideas being driven by the ability to listen. It is about listening and implementing – but that takes a little bit of courage."



Jamie MacLeod: 'We don't do standardisation'

Anna Gordon