

CHARLOTTE BUSINESS JOURNAL

Incoming Baird CEO on growing in Charlotte, plus the blunt company motto he sees as key

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Charlotte Business Journal

Steve Booth's wait is almost up.

After three years of transition, Booth will take the helm of investment bank and asset manager Robert W. Baird & Co. in January.

Booth, currently the firm's president and chief operating officer, has taken more responsibility from current CEO Paul Purcell over the years.

With the company in the final leg of the leadership transition, Booth and Landrum Henderson, Baird's director of private wealth management for the Charlotte office, sat down with the Charlotte Business Journal to talk about Booth's plans for the company. The Milwaukee-based firm has a 45-person staff in Charlotte and employs 3,200 companywide.

Here are three things to take away from the conversation:

The 'no ***hole' policy

At Baird, there are no jerks (the Baird language is more direct) and no exceptions to that rule. Former CEO Purcell announced that policy years ago, and since then Baird has received national attention for the blunt tagline.

The company says it will never hire a person who puts his or her own interests before the client or the firm's needs. It also won't tolerate employees who don't treat their colleagues with respect.

"I'm an even firmer advocate of the 'no ***hole rule,'" Booth said.

Given the reputation of some Wall Street characters after the financial crisis, the policy is a way for Baird to stand out and attract talent from the big banks.

Says Booth: "People used to refer to our values as 'Midwestern values,' (saying), 'That's sort of cute, that firm in Milwaukee that does that.' Since then, we went through 2008 and 2009, and we didn't lose money."

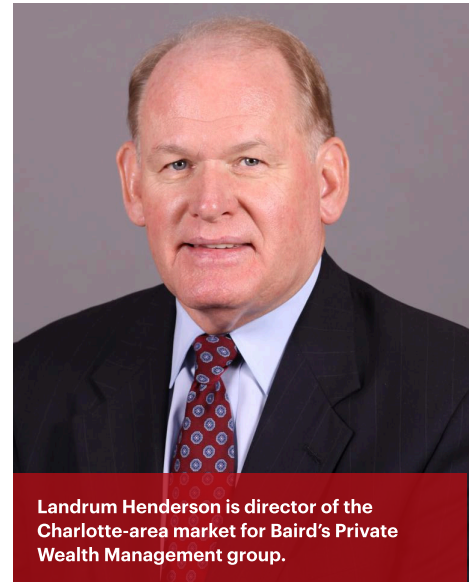
No plans to sell

Booth likes Baird the way it is. He says



Steve Booth will take the helm of Baird in January.

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Landrum Henderson is director of the Charlotte-area market for Baird's Private Wealth Management group.

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the firm would change if it went public.

Baird is a privately held, employee-owned company with \$149 billion in client assets. The firm generated \$1.2 billion in net revenue in 2014, up from \$588 million in 2005.

But selling the company would threaten that success and the firm's culture, Booth said.

"Being employee-owned ensures it is durable," he said. "A lot of people in the industry joined great firms and then they changed because the governance models allowed them to change."

Presence in Charlotte is growing

Charlotte is an important market for Baird, Booth said.

The private wealth management unit has seen much growth since the doors opened five years ago. Baird also has an investment-banking unit and fixed-income trading desk in Charlotte.

Booth says wealth management is Baird's largest growth opportunity – the business currently brings in half of the firm's annual

revenue. Henderson, a former Bank of America exec, hopes the firm's Charlotte presence grows at least 75 percent in the next five years.

He also wants to see Charlotte jump to the top five or 10 of Baird's 83 offices soon. The local wealth-management office currently ranks No. 12 in revenue among Baird's legacy branches.



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