



U.S. Trust Vet to Drive Rockefeller Expansion

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By **Tom Stabile**

Rockefeller & Co.¹ is gearing up for a push to grow by acquiring or partnering with other wealth management firms, and has started with the hiring of a former senior **U.S. Trust**² executive to focus on business development strategy. Loraine Tsavaris came aboard in recent days as a managing director, and in the newly created position she is working on building Rockefeller's wealthy client base as well as on the growth-by-acquisition effort.

"This hiring is part of an overall and accelerated growth strategy," says James McDonald, president and CEO at Rockefeller. "We've clearly reached the point where we need to deepen our leadership team, and Loraine's experience and skill set are a great addition."

Tsavaris retired from U.S. Trust last year just as **Bank of America**³ was acquiring the firm, which had been a virtually independent arm of **Charles Schwab & Co.**⁴ since 2000. She had been at U.S. Trust for 37 years and had held various senior positions, including business development roles and her last post as managing director and principal of its Multi-Family Office Group. She now works out of Rockefeller's Manhattan headquarters and reports to McDonald.

Her focus will stretch from the domestic market to the international arena, where she will be one of various Rockefeller executives exploring global expansion options that have opened up since **Société Générale**⁵, a Paris-based bank, acquired a 37% equity stake in Rockefeller in June. The two organizations have discussed expanding the multi-family office model to Europe and beyond, possibly through joint-venture entities. That model – which focuses on providing both investment management and family administrative services to complex ultra-wealthy families – is more prevalent in the U.S., with Rockefeller considered a leading firm.

"Our aspirations are to cover the waterfront and become the leading national and, ultimately, international player in the wealth arena," McDonald says. "It's partly driven by our alliance with Société Générale. The commitment from their non-control, minority capital equity has given us resources, both financial and non-financial, that are both useful and important to our growth plans."

McDonald says Rockefeller is adding other senior professionals who will contribute to

the growth strategy, including another hire that is imminent. The moves aim to capitalize on the financial markets turmoil that has left some rivals struggling, he adds.

“You can expect from us a steady stream of announcements,” McDonald says. “While this year, times are very tough for many of our competitors in the wealth management world, it’s an ideal time for us to be bringing in good people.”

Rockefeller currently has \$30 billion in assets under administration or management for high-net-worth individuals, families, trusts, foundations, and endowments, and currently has offices in New York, Boston, Washington, D.C., and Wilmington, Del., including affiliates focused on trust services and back-office operations for wealth managers. McDonald says that he expects to have additional locations “before too long,” and possibly due to acquisitions.

Tsavaris is charged with helping Rockefeller identify potential acquisition targets and then helping to execute those deals. It will seek firms with “track records of excellence” and is scanning broadly among wealth management organizations, McDonald says. The targets could include independent wealth advisors or multi-family offices. The firm has no timeframe for acquisitions in mind, and will proceed opportunistically.

“We don’t want to water down the quality of our franchise by acquiring for the sake of acquisition,” McDonald says.

Possible targets for deals include full-service organizations as well as boutiques focused on wealth or asset management specialties, McDonald says. The deal options would include outright purchases or partnerships.

“It’s a great time to be looking,” says Elizabeth Bloomer Nesvold, managing partner of [Silver Lane Advisors](#)⁶, a New York investment bank. She says that while the down economy has made it more difficult for acquisitions to close generally, there is still a lot of interest in making deals from both buyers and sellers. And she says Rockefeller may be better situated than most to pounce on the right deal because it does not have to navigate through a large corporate bureaucracy to close deals. The firm is privately owned, having grown out of the family office built for John Rockefeller 125 years ago.

Nesvold says the market has smaller single-family offices and multi-family offices that lack the resources and capital to attract bigger clients, in part because serving ultra-wealthy clients is a technology- and operations-intensive business. Those smaller firms may be amenable to joining forces with a Rockefeller, she adds.

Rockefeller is even open to bringing over a team from the wirehouse, brokerage, or banking worlds if appropriate, possibly echoing last month’s explosive defection of two top advisory teams from [Smith Barney](#)⁷, who joined [Convergent Wealth Advisors](#)⁸ of Rockville, Md. The teams led by Lori Van Dusen of Rochester, N.Y., and George Dunn of Washington, D.C., ran about \$7 billion in client assets upon joining the upstart wealth management firm that competes in the same space as Rockefeller.

“We’re open to virtually all possibilities,” McDonald says. “It comes down to specifics of a team. But the brokerage firm world has a lot of different kinds of teams in it. A lot of the parent companies are really struggling. You would expect to see some of the better teams in those organizations at least looking at what their options are.”

Tsavaris is well-suited for her new role because it mirrors what she did at U.S. Trust, says Erika Cramer, Nesvold’s partner at Silver Lane. Cramer had previously worked at U.S. Trust while Tsavaris was there. Cramer and Nesvold also have worked on assignments for Rockefeller.

“Loraine was instrumental in conducting due diligence of acquisition targets and prospective partners and affiliates,” Cramer says. “She was a leader of the wealth management division at U.S. Trust and really understood the nuances and culture of building a multi-family office through acquisition in part and through organic growth.”

In a press statement, Tsavaris said: “I chose to join Rockefeller & Co. because I believe that the firm has built a platform that is second to none in this space, and is well-positioned for robust growth in the years ahead.”

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