Overview

Rob & Sarah had just completed the sale of a majority stake in their family business to a national Private Equity firm, for over $70 Million. Rob, being a natural entrepreneur rolled over a minority equity stake in the business while staying on to help drive growth at the company.

Following the sale, Rob & Sarah engaged a New York based global investment powerhouse as the family’s advisor. Two years later, it was clear they needed something more. The firm they hoped would provide unbiased, proactive, and creative advice had disappointed them. They found themselves invested heavily in the firm’s in-house investments, which were complex and never seemed to work out. Their advisors were smart and professional but lacked the willingness to educate and clearly explain complex strategies. The family never truly felt their views and concerns were heard, and their strategy never employed the creativity and customization they had hoped for.

Why PRIVATE ASSET MANAGEMENT

After interviewing others, it was suggested that the family speak with Baird’s PRIVATE ASSET MANAGEMENT group in Chicago. Following an initial conversation with the family, the team found that their goals were clear: protect wealth over generations, creatively and proactively address complex planning needs to prepare for future liquidity events, and obtain advice solely in the best interest of the family. With this understanding, PRIVATE ASSET MANAGEMENT began by clearly and simply explaining strategies utilized by some of the country’s wealthiest families to protect and grow wealth, and provided a full investment analysis and corresponding tax efficient strategy drawing from the best and brightest investment minds in the world, including Baird’s competitors. Ultimately the family engaged PRIVATE ASSET MANAGEMENT as the family advisor.

In the subsequent months, the team worked closely with the family’s attorneys to implement a gifting strategy, taking advantage of valuation discounts within trusts for each of three adult children and ultimately saving the family millions in taxes. In conjunction, the team created a comprehensive financial education program based on the family’s specific needs, interests, and circumstances with an eye towards stewardship of the family fortune. Furthermore, to nurture the family’s entrepreneurial spirit, a family advisory structure was implemented to proactively evaluate and implement creative investment, business, and planning solutions for the family.

Ultimately, PRIVATE ASSET MANAGEMENT’S ability to ask thoughtful questions and anticipate needs even the family hadn’t considered set them apart from others. Because of this Rob, Sarah, and the children were free to
focus on their passions and ultimately continue to grow the business, leading to a second $100 Million liquidity event.

**Epilogue**

Since engaging PRIVATE ASSET MANAGEMENT, the family’s circumstances and needs have continued to evolve. Not only does the family look to Baird for continued investment guidance but also as a resource regarding business opportunities and all aspects of the family fortune. Because of thoughtful planning, they were well prepared for the second sale, with the new liquidity folding seamlessly into the family’s overall strategy. With PRIVATE ASSET MANAGEMENT as the family’s advisor, Rob and Sarah have the time and freedom to focus on the next entrepreneurial venture.

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PRIVATE ASSET MANAGEMENT offers advanced planning and comprehensive wealth management to families and private foundations with assets of $10 Million or more. Modeled after the time-tested approach of applying business principles to personal wealth, they provide unbiased, comprehensive advice coupled with a unique array of services to simplify and enhance active clients’ lives.