

Its launch just as tech bubble burst proved good timing for Goldman veterans' firm

By Jessica Toonkel Marquez

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There was a moment in February 2000, as BBR Partners LLC opened its doors, when its three founders wondered if it was the right time to be launching a financial advisory firm.

After all, the Nasdaq Composite Index had peaked a week before and was beginning its multiyear bear market.

“But in retrospect, it ended up being a good time to open, because more people needed more help and guidance than they did when the markets were going straight up,” said Evan M. Roth, director of client service and one of the founding partners. “The years from 2000 to 2002 were a great time for us to differentiate ourselves.”

Mr. Roth and BBR's other two founding partners, Brett H. Barth and Arthur E. Black, are veterans of The Goldman Sachs Group Inc. who have tried to emulate the culture they loved at the firm, Mr. Roth said.

Like Goldman, BBR, which now has 60 employees and manages \$2.73 billion in discretionary assets, has a huge focus on recruiting and retaining its best talent. To that end, the firm hired a head of human resources in 2004. “Since we felt that our success was going to be our people, we thought it was important to have someone to spend 100% of their time making sure we got the right people,” Mr. Roth said.

To maintain a feeling of camaraderie among its staff, the firm has a large, open area where everyone sits. “There are no high cubes,” he said. “There is an energy and a vibe to communicate with each other.”

Each employee gets a “360 review” — which includes input from his or her manager, peers and subordinates — another unusual practice for a small firm.

BBR has 60 clients, typically first-generation entrepreneurs and their families, Mr. Roth said. On average, they have \$60 million in investible assets. The adviser's minimum account size is \$20 million.



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Gerardo Tabones

But that's not to say that anyone with \$20 million to invest can become a BBR client. Prospective clients have to be interviewed by Mr. Roth, Mr. Barth and Mr. Black to determine if they are a proper fit for the firm, Mr. Roth said.

"We are hungry, and we are eager to grow, but we want to grow in the right way," he said.

Specifically, BBR wants to make sure that clients are willing to be educated, that BBR will be their sole and primary adviser, and that "the experience we get from servicing them

moves us in the right direction and gives us leverage with other families," Mr. Roth said. "A lot of these things are hard to define."

BBR's preference for clients who are eager to be educated helped the firm weather the market downturn that began last year, Mr. Roth said.

"We made sure our clients were very well-educated going into the storm," Mr. Roth said.

Coming out of the market downturn, BBR has spent time analyzing its performance and looking at its market approach, Mr. Roth said. "We made slight tweaks, but it reaffirmed our beliefs."