

MONEY CHANGERS



Most investment managers based in North Carolina with more than \$1 billion under management reported solid growth last year.

Money may move around the globe at the speed of light these days, but the ranks of the largest investment companies based in North Carolina are remarkably stable. *BUSINESS NORTH CAROLINA*'s ranking of firms that each oversee more than \$1 billion in assets shows very little change from a similar list we researched two years ago.

Our list is dominated by two large companies, which make up more than 75% of the total assets under management of the 36 listed firms. Raleigh-based CapFinancial Partners owns CapTrust, which added \$51 billion under management in 2019 as it bought more closely held investment firms in major U.S. cities. And Charlotte-based mutual fund adviser Barings, which is owned by the MassMutual insurance firm, added \$35 billion last year, according to government filings.

The data is based on the companies' most recent government reports and additional information from San Diego-based research firm BrightScope. The list cites assets under management, or AUM, as of Dec. 31, 2019, which we compared with year-earlier filings. Most of the companies invest in stocks and bonds, though the list includes a few private equity groups and those focused on other alternative investments. Large asset managers based outside of North Carolina, such as Morgan Stanley and Fidelity Investments, are not included.

The strong stock market helped fuel growth at 31 of the 36 firms, though the story changed in late February as the public health crisis depressed most investment sectors. Those reversals aren't reflected in this list.

One big departure is Durham's Piedmont Investment Advisors, which ranked No. 8 previously. It was acquired by Philadelphia-based FIS Group in May 2018 and rebranded to Xponance in April. It maintains a Durham office and had \$9.5 billion in AUM as of Feb. 29.

Among the firms adding the most assets were Global Endowment Management, which specializes in working with universities and foundations; Alumina Investment Management, which former Wells Fargo and Carlyle Group manager Greg Kares has expanded by nearly 50% to \$9.6 billion in AUM since 2016, and Independent Advisor Alliance, a broker-dealer that has quintupled in size since 2016. Among the few decliners was Wedge Capital Management, which ranks No. 5 with \$11 billion.

Among the new names on the list are Cornerstone Advisors of Asheville and Novare Capital Management of Charlotte. Founder Ralph Bradshaw, a specialist in closed-end mutual fund investing, leads Cornerstone, which reported \$1.2 billion under management. Novare was co-founded by William Baynard Jr. and Don Olmstead in 1999. It also has \$1.2 billion in AUM and 18 employees.

Chapel Hill-based TrueBridge Capital had an impressive fundraising amid the pandemic. Founded in 2007, the firm collected \$190 million in April for a venture capital fund targeting growth-stage technology companies.

—Harrison Miller

BILLIONS CLUB

LARGEST REGISTERED INVESTMENT AND
MUTUAL FUND ADVISERS BASED IN N.C.

ASSETS UNDER MANAGEMENT
AS OF DEC. 31, 2019 (BILLION)

↑ ↓ CHANGE FROM 2018

CAPFINANCIAL PARTNERS, RALEIGH

\$364 | +\$51 ↑ 16%

It is the holding company of Captrust, which has acquired about 40 firms in major U.S. cities since 2006.

BARINGS, CHARLOTTE

276 | +\$35 ↑ 15%

The mutual fund adviser is owned by MassMutual and employs 1,039 workers.

STERLING CAPITAL MANAGEMENT, CHARLOTTE

58 | +\$1.4 ↑ 3%

Truist owns more than 75%. Alexander McAlister is president.

AON HEWITT FINANCIAL ADVISORS, CHARLOTTE

29 | +\$1.8 ↑ 7%

Hewitt Associates owns more than 75% of record-keeping company. Assets grew by \$12.5 billion, or 75%, since 2017.

WEDGE CAPITAL MANAGEMENT, CHARLOTTE

11 | -\$1.7 ↓ -13%

The mutual fund adviser formed in 1984 and employs 32, including 17 general partners.

GLOBAL ENDOWMENT MANAGEMENT, CHARLOTTE

10.5 | +\$2.2 ↑ 26%

The company's clients are mainly universities and foundations. Porter Durham Jr. is managing partner.

ALUMINA INVESTMENT MANAGEMENT, CHARLOTTE

9.6 | +\$1.3 ↑ 15%

Former Carlyle Group managing director Greg Kares owns more than 75%. Assets are up 48% since 2016.

WELLS FARGO INVESTMENT INSTITUTE, CHARLOTTE

6.3 | +\$0.4 ↑ 6%

The megabank formed the company in 2014. Darrell Cronk is president.

INDEPENDENT ADVISOR ALLIANCE, CHARLOTTE

5.9 | +\$0.9 ↑ 17%

Robert Russo founded the broker-dealer in 2014. It has quintupled in size since 2016.

ADHESION WEALTH ADVISORS, CHARLOTTE

4.7 | +\$1.2 ↑ 33%

The firm was acquired in 2018 by Maryland-based Vestmark, which manages more than \$1.3 trillion.

RIDGEMONT PARTNERS MANAGEMENT, CHARLOTTE

4.6 | +\$1.1 ↑ 31%

The private equity group was founded in 1993 and spun off from Bank of America in 2010. It raised a \$1.65 billion fund in 2018.

CARROLL FINANCIAL ASSOCIATES, CHARLOTTE

3.5 | +\$1 ↑ 40%

The company was founded in 1980 by Larry Carroll. His son, Kris, serves as CFO and is majority owner.

HORIZON INVESTMENTS, CHARLOTTE

3.4 | **+\$0.2** **↑ 6%**

Owner of the firm since 1999, CEO Robbie Cannon was named 2018's "Asset Manager of the Year" by *Barron's* and the Money Management Institute for firms with less than \$25 billion in AUM.

TRUEBRIDGE CAPITAL PARTNERS, CHAPEL HILL

3.3 | **+\$1** **↑ 48%**

Founded by former UNC Chapel Hill endowment managers, TrueBridge completed a \$190 million funding round in early April.

PAMLICO CAPITAL, CHARLOTTE

3.2 | **+\$0.7** **↑ 30%**

The private equity firm closed its fifth fund in February, raising \$1.4 billion. It was started by First Union in 1988 and was spun out in 2010.

PARSEC FINANCIAL MANAGEMENT, ASHEVILLE

3 | **+\$0.3** **↑ 11%**

More than \$2 billion of the firm's assets are managed for high net worth individuals.

NOVAQUEST CAPITAL MANAGEMENT, RALEIGH

2.7 | **+\$0.6** **↑ 29%**

The firm focuses on investments in health care and life sciences. It added \$275 million to its private equity fund in November.

FRANKLIN STREET ADVISORS, CHAPEL HILL

2.6 | **+\$0.4** **↑ 20%**

The wholly-owned subsidiary of Fifth Third Bancorp has about 450 clients. The business was formed in 1990 and is led by President Robert Newell.

FORTIGENT, FORT MILL, S.C.

2.3 | **+\$0.2** **↑ 9.5%**

The firm is owned by LPL Financial, a public company with more than 1,400 employees in suburban Charlotte.

VERGER CAPITAL MANAGEMENT, WINSTON-SALEM

1.8 | **+\$0.2** **↑ 10%**

The firm was formed in 2013 and is owned by Wake Forest University and Verger's management team.

BRAGG FINANCIAL ADVISORS, CHARLOTTE

1.8 | **+\$0.4** **↑ 27%**

Frank Bragg Jr. started the family-owned business in 1964.

COLONY FAMILY OFFICES, CHARLOTTE

1.8 | **-\$0.3** **↓ -13%**

Eric Ridenour leads the wealth management firm formed in 2013.

MORGAN CREEK CAPITAL MANAGEMENT, CHAPEL HILL

1.7 | **-\$0.1** **↓ -5%**

Former UNC investment chief Mark Yusko's firm specializes in alternative investment products.

SMITH, SALLEY & ASSOCIATES, GREENSBORO

1.7 | **+\$0.4** **↑ 30%**

Founder Gregory Smith Jr. leads the firm, which has more than 566 clients and also operates in Boston.

SALEM INVESTMENT COUNSELORS, WINSTON-SALEM

1.6 | **+\$0.04** **↑ 3%**

Founded in 1979, it was named the top financial advisory firm on CNBC's FA 100 list last year.

DIXON HUGHES GOODMAN WEALTH ADVISORS, ASHEVILLE

1.6 | **+\$0.11** **↑ 7%**

It is an affiliate of a Charlotte-based CPA firm with about 2,300 professionals in 13 states and the United Kingdom.

CAROLINAS INVESTMENT CONSULTING, CHARLOTTE

1.5 | **+\$0.1** **↑ 6%**

President George Edmiston Jr. opened the private, independent firm in 2001.

**CORRUM CAPITAL MANAGEMENT,
CHARLOTTE**

1.5 | **+\$0.5** **↑ 45%**

The hedge fund is expanding into global sports investments after announcing a partnership with London-based Aser Ventures in April.

**ETON ADVISORS GROUP,
CHAPEL HILL**

1.4 | **-\$0.1** **↓ -4%**

The firm was formed in 2017 and is managed by Robert Mallernee.

**COMPERIO RETIREMENT CONSULTING,
CARY**

1.4 | **\$0** **0%**

James Sotell founded and leads the firm focusing on the 401(k) industry.

**HAYDEN ROYAL,
CHARLOTTE**

1.4 | **+\$0.6** **↑ 147%**

CEO Louis Dworsky previously worked at Merrill Lynch and Morgan Stanley and owns Raleigh-based Zermatt Wealth Partners.

BOYS, ARNOLD & CO., ASHEVILLE

1.3 | **+\$0.2** **↑ 19%**

The firm was founded in 1977 and has 417 clients with 1,098 accounts.

BILTMORE FAMILY OFFICE, CHARLOTTE

1.3 | **-\$0.01** **↓ -1%**

CEO Chris Cecil co-founded the firm in 2008. Its four partners include Rael Gorelick, head of investments.

CORNERSTONE ADVISORS, ASHEVILLE

1.2 | **NA** **↑ NA**

The firm is led by Chairman and President Ralph Bradshaw, a longtime Asheville investor.

**NOVARE CAPITAL MANAGEMENT,
CHARLOTTE**

1.2 | **+\$0.1** **↑ 7%**

William Baynard Jr. and Don Olmstead founded the firm in 1999 and surpassed \$1 billion in AUM in 2017.

NORTH CAROLINA STATE-CHARTERED TRUST COMPANIES

Trust companies chartered with the N.C. Commissioner of Banks, ranked by total equity as of December 2019.

State-chartered trust companies	Headquarters	Total equity Dec. 2019 (million)	% change from Dec. 2018
AAFMAA Wealth Management & Trust	Fayetteville	\$13.64	30.7%
Franklin Street Trust	Chapel Hill	6.87	-62
Trust Company of the South	Greensboro	5.05	29.2
Piedmont Trust	Greensboro	4.42	7.8
Old North State Trust	Greensboro	2.58	-8.7
Investors Trust	Chapel Hill	2.53	26.5
Colony Trust	Charlotte	2.15	19.7
Davenport Trust	Greensboro	2.06	14.3
Boys, Arnold Trust	Asheville	1.46	1.2