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What's in a name?

The story of Steen Associates



“Clients are looking for individuality and originality of advice”

Jason Steen, Steen Associates

It would be unfair to characterise investment bankers as a homogenous breed. Unfair but in 90% of cases, correct. While there is a certain arrogance, and confidence about a lot of them this can all too often be a thin veneer. “House” characteristics often means a “herd mentality” and when it comes to Mergers and Acquisitions that in turn leads to dull, standard, and ultimately unhelpful advice as a result.

The rise in the popularity of small investment banks in the Mergers and Acquisitions sector is a direct result of this. “Clients are looking for individuality and originality in advice,” says Jason Steen, Founding Partner of Steen, an investment banking advisory business focused exclusively on the industrials sectors. “We’re not a mini-version of our bigger rivals - we are different - more fleet of foot, more creative, more energetic and

ultimately more rewarding to work with and work for”

Many of Steen’s clients agree - Sir Alan Thomas who has had a distinguished career in the defence sector appointed Steen on the sale of Global Design Technology. “We consciously sought to appoint a boutique alongside a major investment bank - on the sale. We wanted the originality and flair of Steen and harnessed it with the load carrying abilities of Lazard. “My view is that personalities can get lost in big organisations. We want individual advice not commodity advice. I knew Jason from his Hambros days and road tested him on another situation - he was ideal for the job.”

The point about personality is a recurring theme with Steen’s clients. They may need the services of a full-service investment bank, but there is also a realization that larger banks

have their own interests to serve as well as their clients. Clive Snowdon who is Chief Executive of London Stock Exchange listed Umeco PLC went further with this point, “Jason’s personality is well suited to a boutique”. Originality is a key part of the success of Steen. One of Steen’s first transactions was the simultaneous sales of Murray International Metals to Edgen Corporation and Jefferies. This was particularly difficult as MIM was one of Scotland’s largest employers and Sir David Murray, the principal owner, was such an important political and economic figure in Scotland. “Steen got the job done,” said Donald Wilson Chief Executive of Murray International. We appointed Steen because they knew the industrials sector better than most, advised us on the best buyers for the asset, and drove the deal through - we thought about using a bigger bank but Steen was ideal for that job”.

One client, Martin Calderbank of Stirling Square Capital Partners, was particularly complimentary and described Jason as “Quite simply one of the best aerospace advisers in Europe”. That is high praise from one of the lead investors in the aerospace sector - who went on to say that Jason’s “market knowledge is first class and he works particularly well in challenging management situations”. The common theme within the

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business and with clients is the culture of entrepreneurialism that is alive and well at Steen. The clients I spoke to were positive about Steen's ability to work on the deals. There was an awareness that a boutique of this size can be reliant on the founder, in this case Jason, but the feedback was that his team worked well and seamlessly. There is a natural and flattering empathy at work here. Often, the Chief Executive or Chairman of a client company has been responsible for building the business himself. Seeing Jason in a similar position, i.e. in the process of building his own business, is something they know and admire.

And being entrepreneurial allows Steen to attract ambitious and skilled bankers. The culture at major investment banks often keeps recruits off the front line for many years. That's never going to be the case at a small enterprise. **Robert Collier, VP at Steen**, joined after finishing his masters in Finance two years ago at the LSE. From Harvard he'd gone to UBS and was expecting to stay in the grouping of top investment banks. The appeal of working at Steen was about the opportunity to work "on the front line" to engage with clients, and to take responsibility for the work being done.

Steen is not the usual group of investment bankers. They relish their independence, are proud of their specialisation and cherish their clients. Their core work is as advisors



to sellers. They have worked on sole mandates or alongside other banks.

Lina Saigol, Mergers and Acquisitions Correspondent for the Financial Times, is clear about the need and

function of such specialist boutiques, "Boutiques like Steen have an important role to plan in transactions," she told me. "They are independent - crucially they are not trying to sell the client anything else".



The picture emerges of Steen as a nimble, professional, lean organisation with the ability to support the client in a way that the major banks no longer do. A merchant bank within a modern context, developing in London but with an increasingly international reach.

Amber Rudd, a well-known financial journalist in Corporate Finance in the UK drafted this article. It has been published by Digital Red and Steen have been given permission to publish the text on their web site.