

**Another Blow**

## **Northern Trust Loses Emerging Manager Chief**

July 1, 2005

The head of [Northern Trust Global Advisors](#)' emerging manager unit, [Clayton Jue](#), resigned last Wednesday to open his own firm. The move was reported on *MML's* Web site on June 28. His exit follows the departure of CIO [Margaret Towle](#), who left NTGA in March to start her own firm (*MML*, 4/8). Also, [Jeff Sutton](#), v.p. and senior investment analyst, left the firm June 24. He is joining [UBS Global Asset Management](#) as director of manager research, a new position. Jue declined to comment.

[Chris Harmon](#), NTGA spokeswoman, said the firm has appointed [Bob Furnari](#), director of portfolio management, as interim director. Harmon said the manager hasn't decided whether to use a search firm. "This is a special position that will require some creative thinking in terms of recruitment." There is no timeframe for the search's completion. Harmon also said NTGA will move Jue's position from San Francisco to its headquarters in Stamford, Conn., to centralize the program.

The loss of Towle and now Jue could cost NTGA. One manager has spoken with public pension funds who said after Towle's departure they would consider terminating NTGA if anyone else left. One manager who is a part of NTGA's emerging manager program said Jue's departure would "certainly be something that I'm sure potential clients would have concerns about." He said clients potentially terminating NTGA could create an opportunity for newer, smaller manager-of-managers, such as [Capital Prospects](#), [Attucks Asset Management](#) and [Bivium Capital Partners](#) to attract more clients.

[Jim Casselberry](#), principal at [Ennis Knupp + Associates](#), said that the loss of both Jue and Towle are "concerning," though not so much as the loss of a portfolio manager. He added that the loss of someone with so much experience is good reason for clients to monitor the firm, though. Harmon declined to comment on speculation on the firm's health.

Officials at NTGA clients [Boeing](#), the [Chicago Public School Teachers Pension & Retirement Fund](#), the [Chicago Municipal Employees Annuity & Benefit Fund](#), the [Chicago Laborers Annuity & Benefit Fund](#) and the [Kansas City \(Mo.\) Employees Retirement System](#) did not return calls.

NTGA's emerging managers program has about \$2.5 billion in assets under management and uses over 350 firms with generally less than \$500 million in assets. More than half of the firms are minority- or women-owned.