

## Fund management investment firm **IM Square** launches with US focus; Former Edmond de Rothschild Asset Management chairman's new venture to take minority stakes in emerging managers has won heavyweight backing from French investment trio

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388 words  
16 June 2015  
Financial News  
LONFIN  
English

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The former chairman of Edmond de Rothschild Asset Management has secured the backing of fund management heavyweight Amundi and private equity firm Eurazeo for his new holding company, which plans to invest €250 million in minority stakes in emerging asset managers.

**IM Square**, an asset management investment vehicle created by Philippe Couvrecelle and his former Edmond de Rothschild Asset Management colleague Jean Maunoury, officially launched this week with the backing of Amundi, Eurazeo and French private investment club La Maison, which have agreed to commit €40 million to finance the venture's initial investments, according to a statement from **IM Square** on Tuesday.

The firm, which is aiming to make its first investment as early as this year, is also in talks to add a Chinese bank as a shareholder, according to Couvrecelle.

**IM Square** will operate as a holding company that takes "long-term, minority stakes" in managers that have between \$1 billion and \$15 billion in assets under management, with long-only funds in the US the primary focus.

Couvrecelle said there were 600 to 700 funds in the US with between \$1 billion and \$10 billion in assets under management, adding that "the US universe of asset managers is very deep and very wide".

It plans to invest a minimum of €250 million in the next two to four years in around seven or eight companies.

The platform can take stakes of between 10% and 49%, though Couvrecelle said he expected stakes of 20% to be the average. The funds in which **IM Square** invests will in turn become affiliates.

The venture will typically offer support to improve distribution and marketing, such as helping a US firm launch a European Ucits funds or develop its retail offering.

**IM Square** already has a pipeline of around 30 asset managers that its team has been talking to for a year, according to Couvrecelle, who said the response had been overwhelmingly positive when he notified them last weekend that the firm would be launching this week.

He said: "All of them replied straight away, and said: 'Congratulations. When can we talk?'"

Document LONFIN0020150616eb6g000ul