



BROWN ADVISORY

## **Brown Advisory Launches US Smaller Companies Fund**

**London, 14<sup>th</sup> April 2008** -- Brown Advisory, an independent investment firm based in Baltimore, USA, which opened its London office last month, has announced the launch of a US Smaller Companies Fund through its Dublin-based UCITS III vehicle. The US equity fund, managed by Tim Hathaway and Chris Berrier, will mirror their domestic strategy.

The US Smaller Companies Fund seeks to generate above average returns by exploiting inefficiencies in the US smaller capitalisation market. The team looks to build a concentrated, yet diversified portfolio of 40-60 names, characterised by above average growth, sound management, and favourable competitive positioning. The Brown Advisory small-cap team differentiates itself from many other small-cap investors through its propriety research coverage and robust network of venture capital and private equity relationships.

This network represents a source of value-added information and analysis that helps put young public companies into historical context, gain a fuller understanding of competitive landscapes, and create a deeper knowledge of business models and valuations. The team also has the advantage of over a decade of ‘on the ground’ US experience.

Logie Fitzwilliams, Director of Brown Advisory’s London office commented, “Although, to date, we have focused our European marketing efforts on our large-cap ‘value’ approach managed by Richard Bernstein, we have launched our Smaller Companies Fund under the same UCITS III umbrella as Chris Berrier and Tim Hathaway have put together an admirable track record, continuing the legacy of Brown Advisory in this dynamic sector.

Tim Hathaway, co-manager of the US Smaller Companies Fund, commented, “The Fund represents a natural evolution of Brown Advisory’s original small-cap equity strategy that was launched in 1994. The hallmarks of the portfolio have always been fundamental, bottom-up stock selection, concentration of positions and a long-term time horizon. While these attributes remain in place, the historical emphasis on the technology sector has been replaced with a more diversified stock picking strategy that leverages the expertise of the portfolio managers and strong research team.”

We believe we set ourselves apart from other US Smaller Companies funds in Europe through our growth tilt, more concentrated portfolio and unique ability to leverage a wide network of research sources including private equity investors. These factors, combined

with the current environment, offer some strategic opportunities for investors wishing to hold US equities as part of a diversified portfolio.

Brown Advisory's US equity research team has over 200 years' combined investment experience and the portfolio management team, in place since September 2005, combines experience and focus. Furthermore, Tim and Chris's backgrounds make them particularly well-suited to the long-run execution of the small cap strategy and are complementary in nature. Tim Hathaway had previously been a senior research analyst at Brown Advisory for approximately 10 years, covering the Consumer and Energy sectors. Chris Berrier was recruited from T. Rowe Price, where he worked as an analyst on several well-known and successful small- and mid-cap funds.