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Rainmakers: Sink, Coughlin boost investment banking

Sink heads to Hyde Park Capital, Coughlin to Raymond James

Premium content from Tampa Bay Business Journal - by Margie Manning, Senior Staff Writer

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TAMPA — [Hyde Park Capital](#) is betting that when **Alex Sink** calls clients will be listening.

Sink, former Florida chief financial officer and Democratic gubernatorial candidate, joined Hyde Park on April 1 as a senior advisor focusing on business development and expanding client relationships for the investment banking firm.

With first quarter 2010 global investment banking fees at their highest point since 2007, the timing is good for both Hyde Park Capital and for [Raymond James Financial Inc.](#), which boosted its own investment banking business with the April 1 acquisition of [Howe Barnes Hoefler & Arnett Inc.](#) **Dan Coughlin**, former chairman and chief executive of Howe Barnes, now is managing director of investment banking at Raymond James (NYSE: RJF).

Rainmakers such as Coughlin and Sink can strengthen an investment bank by bringing clients, money and respect.

Although the “magic Rolodex” is less important than it used to be, strong investment banks still are very much needed in the area, said **Brian Smith**, managing partner of [LCG Capital](#) in Tampa.

“A good investment bank serves the community because it is a huge resource for businesses trying to get deals done,” Smith said. “It allows a CEO to focus on growing his own business while also making sure they get the best economics in the transaction.”

South Florida presence

Sink will spend about half her time in south Florida, where Hyde Park does not currently have an office, building on extensive business connections stemming from her tenure as Florida president for Bank of America (NYSE: BAC).

"It's just like this area, full of entrepreneurs and growing businesses and tremendous opportunities for growth," Sink said.

Sink's experience in financial services also will be invaluable as Hyde Park capitalizes on the favorable conditions for mergers and acquisitions and capital raising, said **John Hill Jr.**, senior managing director. "The deal market is good right now, financing is available, we're seeing companies starting to be more aggressive about expanding and acquiring."

Hyde Park has closed 40 deals in the past five years, including three deals in the first quarter of 2011. The company serves middle-market firms, those with revenue of \$500 million or less, which tend not to be the focus of major investment banks such as [Goldman Sachs](#) (NYSE: GS) or [Morgan Stanley](#) (NYSE: MS).

"Over 85 percent of the deal volume is in the middle market, where we play," said **John McDonald III**, senior managing director. "The bigger banks have large investment banking organizations, but their investment bankers are not necessarily here in Florida. ... Not only do they chase larger transactions, but they have to fly their bankers in to execute them."

Two of Hyde Park's strengths, in financial services and health care, are ripe for deals as banks consolidate and hospitals look at affiliations with other health care groups and physician practices.

"We want to be well-positioned to take advantage of that increased deal flow," Sink said.

Building bench strength

Raymond James also has been building bench strength in investment banking.

In 2009, it bought **Lane Berry**, a middle-market investment banking and advisory firm, and added 21 investment banking professionals and new offices in Boston and Denver. The Howe Barnes deal gives Raymond James an enhanced presence in Chicago, where Howe Barnes was headquartered.

Although Raymond James executives were not available for an interview, **Paul Reilly**, chief executive, said in December, when the Howe Barnes deal was announced, that the acquisition reflected Raymond James' growth strategy.

Raymond James has seen an uptick in investment banking as a result of improved equity market conditions, the company said in its fiscal 2010 annual report filed with the [U.S. Securities and Exchange Commission](#).

The number of lead or co-managed underwritings during the year was up 76 percent and 32 percent, respectively, and the company reported a \$52 million, or 100 percent, increase in underwriting fees. Increased M&A activity arose primarily from engagements by companies in the health care, business services and energy sectors.

Close relationships

Alex Sink had ties to Hyde Park Capital even before she was hired as a senior advisor. Her husband, Bill McBride, a senior partner at Barnett Bolt Kirkwood Long & McBride, chairs Hyde Park's advisory board. John Hill Jr., senior managing director of Hyde Park Capital, was Sink's appointee to the investment advisory group for the State Board of Administration, the agency that manages the assets of the state retirement system.
— Margie Manning

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