

## Women-Owned Barksdale Finds Traction With Allocators, Sees Opportunity In Markets

The name Weaver C. Barksdale & Associates doesn't immediately lead you to think of a women-owned asset management firm. The more than 35-year-old firm was named after its founder when launched in 1984 to manage investment grade fixed-income.

All that changed in late 2019 when a new generation of leadership took control of the firm — led by President and CEO Ann Roberts.

Now the firm — which plans to operate as Barksdale & Associates in the near future — is finding its way within the diverse manager space.

"The (allocators) that truly have the focus on the diverse managers space, that's where we are getting actually proactive dialogue, they're reaching back out to us. We're talking to them. That's a real conversation taking place," Roberts said.

The retirement of Vice Chairman John McDowell in 2019 is what provided the opportunity for firm's transition to majority female ownership, which was a goal of Barksdale's.

"Mr. Barksdale was very much a champion of the firm becoming women-owned and I really don't think it was necessarily because he thought it would help us get more business. He just, as a father of two girls, very much wanted to break through the glass ceiling ... and wanted to champion that transition," Roberts said.

Roberts credited Director of Marketing Ron Partain for building a list of consulting firms specializing in women- and minority-owned asset managers.

"Right around February of (2020) we had our list of about a dozen firms and Ron started calling and setting it up and for every one of them, we fill out an RFP and we do a due diligence call and we've gotten to know them," she said, noting that the firm anticipates closing its first two allocations in the space shortly.

The firm manages approximately \$4.4 billion predominantly within investment grade and high-yield fixed-income and also offers domestic and international equity products.

"The glue that holds it all together is our emphasis on cash flow analysis. Everything that we do pretty much has a take on cash flow and that's what ties it up with a bow and explains why a fixed-income firm started offering equity strategies," Roberts said.

She noted that the international equity strategy currently consists of internal assets, however, there seems to be an appetite for the strategy as investors seek out non-U.S. strategies run by diverse asset managers.

“It is interesting to me that in this emerging manager, diverse-owned space, there is some forgiveness for the fact that there’s not much money in it because it has a longstanding GIPS compliant track record,” Roberts said.

While the equity business is garnering interest, fixed-income is where the firm has built its history and also continues to see future opportunities.

“We’ve actually seen a lot of interest in carve outs in particular so we’ve been actually providing a number of consultants with a mortgage carve out, a Treasury carve out, a credit carve out, certainly duration adjusted ... So we’re definitely seeing a lot more of that than we did a few years ago,” said Deena Raja, principal and fixed-income portfolio manager at the firm. Raja said low interest rates have altered the credit markets compared to prior market opportunities such as 2008 to 2010 that were longer in nature.

“This year, in particular, has been a game changer. So everybody has to be more proactive in sector rotation and in moving more quickly within the asset classes,” she said.

The firm’s strengths in duration, sector and risk analysis is built off predominantly internal research that takes a top-down approach utilizing correlation models and incorporates fundamental bottom-up research.

“The consultants have come to realize that ... that in this particular environment that we need to have the flexibility to move more quickly than we did in the past,” Raja said.