



THIS WEEK'S SPEAKER

September 7, 2021

2021- 2022 Board Members

President Carol Hardison
Pres Elect William Bradley
Past Pres Jerry Coughter
Secretary Colleen Brannan
Treasurer Edwin Peacock
Exec Sec Christine Cipriano

Directors 2021-2022

Patrick Baker
Bill Bartee
Suzanne Bledsoe
Kim McMillan
Rex Reynolds
Ranjay Sarda
John zumBrunnen

Directors 2021-2023

Ann Clark
Ellison Clary
Jesse Hite
Christopher Jackson
Warren Kean
Vanessa Stolen
Travis Vance

Membership Laura Little

Foundation Joe Morris

Programs Elly Clary



Sam Bowles, MD, New Republic Capital division of New Republic Partners

By Elly Clary

Sam Bowles identified “a hole in the market” that keeps individual investors from realizing optimal gains. He’s plugging that hole as managing director of New Republic Partners.

Bowles is a veteran of private equity, investment management, capital markets and merger and acquisitions with entities such as Threadridge Investment Partners, Carousel Capital and Morgan Stanley. Speaking to Rotary, he explained the hole and how he addresses it by managing NRP’s private portfolios.

Achieving desirable returns from traditional fixed-income investments has become challenging, he said. Dragging returns are low interest rates, immense government debt and inflation.

To compensate, he believes individual investors need to increase exposure to international and private markets and find new sources of returns, while keeping an eye on fees, expenses and taxes.

“It’s a challenging proposition,” Bowles said.

Sophisticated investors such as large institutions and family offices have adjusted to allocate more than 25 percent of their portfolios to alternative assets and they plan to increase this percentage. Yet individual investors allocate under 5 percent of their portfolio to alternative assets.

“So why haven’t more investors allocated more assets to alternative classes like the large guys have?” Bowles asked rhetorically. “We believe the answer is the hole in the market.”

Most individual investors don’t have access to those alternative classes or to the best asset managers, many of whom require investment minimums in excess of \$10 million, he pointed out.

“We identified this gap in the market when I worked for the Springs Company working on their investment portfolio,” Bowles said. “We spent a number of years trying to identify solutions.”

What resulted is New Republic Partners. With an office on East Morehead Street, the year-old investment management firm brings to bear the assets of the John M. Belk Endowment plus the interests of the MC Belk Pilon and the Springs-Close-Bowles families.

Combining the investment functions of these entities brought additional scale, more infrastructure and an experienced team for investors, said native Charlottean Bowles.

“What we created was a set of asset class-specific access vehicles that enabled clients to customize their portfolios while also investing with the exact same managers the families used,” he said. “We created six different asset class-specific vehicles.”

So rather than working through investments that charge multiple layers of fees or searching for retail solutions often riddled with conflicts and providing relatively weak returns, individual investors can use New Republic Partners.

NRP clients don’t pay multiple layers of fees and they can customize their asset allocations to meet personal goals, he said. They can allocate whatever percentage they wish to each of the NRP vehicles.

“We think this aligns our interests pretty well between the families and our clients,” Bowles said. “I don’t think we’ll bat a thousand, but I do think what we have developed is pretty unique in the market today and really does address what we’ve identified as a major gap.”