My Benesch My Team – MAI Capital Management

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Rick Buoncore
Managing Partner
MAI Capital Management

MAI Capital Management is a fee-based wealth management firm providing planning and investment advisory services. Headquartered in Cleveland, the firm has 18 offices in 12 states (as of December 2021). The following is a testimonial from Rick Buoncore, Managing Partner of MAI Capital Management.

Tell me about MAI Capital Management. How did you come to work with Benesch?

I participated in Leadership Cleveland with Ira Kaplan in 2003. At the time I was CEO of a subsidiary of KeyCorp called Victory Capital Management. When you go through Leadership Cleveland, you develop really tight relationships, which is part of its purpose to build ties among future leaders of the community. Ira and I got to know each other pretty well. In 2005, I left Key and started my own business, and in 2006 I had an opportunity to buy a business called MAI. MAI was one of the divisions of IMG at the time, which was a sports entertainment business, and the family was selling it after founder Mark McCormack had passed. I was given the opportunity to buy it, but they had already separated from IMG and there was a lot of confusion.

I went to my good friend Ira Kaplan and asked if he would represent me. He did, and in 2007 we purchased MAI. At the time we had about $900 million under management and one location-one floor in our building and 50 people. What Ira and his team from Benesch helped us do over the years is to grow the business. And to always do it in a way that protected us. Even when we bought MAI, he did a lot of the due diligence with us to help us identify and mitigate areas of risk. Over time we grew to about $4.5 billion.

In 2017, I went to Ira and said, 'I have an opportunity; someone wants to buy an interest in MAI. What do you think?' I consulted with him, and he gave me great advice. We executed a 40% sale to a group in Florida called Wealth Partners.

Wealth Partners' whole vision was to be our M&A team. We took off from there. Our prior growth from $900 million to $4.5 billion was organic. Our subsequent growth from that $4.5 billion to now $16 billion is both organic and inorganic. We've made 19 acquisitions with Wealth Partners, and Ira has been an advisor to me. I go to him and he brings whoever we need on his team at Benesch to help us achieve our goal. Ultimately, our goal is to be the best wealth management firm in the country, and to be a national platform. We're not there yet, but we're getting there.

Along the way Benesch has acted as my general counsel. It's the firm I go to to really look at matters and protect us, helping us identify areas of risk and mitigate them.

What do you like about working with Benesch?

For the 15 years Benesch has acted as our general counsel, they have done so in the most professional way. They are the consummate business lawyers in the sense of laying out, 'Here's what you want to accomplish. Here's how you should try to do it. Here's how you should mitigate your risk.'

As an example, in my case when I bought the firm, one of the risks was that client relationships and their subsequent revenue streams were in the hands of individuals, so if those people left, could they take those contracts with them?

Ira spent a lot of time looking into all that. Ironically, shortly after I bought the firm, someone did try to leave and take business with them. Benesch's work really protected us. If we hadn't addressed that or had done the work poorly, then we would have made a terrible mistake. We could have been worth nothing. Today the firm is obviously worth a lot more than we paid for it.

It's those kinds of things when you see them play out in real life that grow a great deal of respect and admiration and loyalty to the firm that helps you do that. When it comes to something affecting the mothership, we've gone to Ira and Benesch. Whenever I have an issue, I go to Ira because of the respect and relationship we have. That's what I think Benesch is really good at-creating relationships and then identifying what you need as a company and adapting to make sure you get what you need, whether it's regulatory rules, M&A-type activity, or whatever the issue is.

What value have you found by working with Benesch?

From my point of view, the biggest value has been because of the relationship with Ira, who knows us and knows what we need. It has never been a case of every time you need advice you get somebody different and have to explain everything. There was a level of trust and relationship building that just got deeper and deeper.

A personal relationship only gets you so far; you still have to perform. Benesch has always consistently performed-not only Ira, but also other members of his team and others who have worked with us on many, many of our deals and always looked out for us. In deals there can be a hundred issues, five of which are really problematic. Benesch helps us figure out and focus on those five. They're very good at making you key in on what's important and be less concerned about everything that's not.