



Wells Nixes Evergreen Brand, Cieszko Departs

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By [Kevin Burke](#)

The **Evergreen Investments** mutual fund brand is headed for extinction as the struggling Wachovia fund unit will be folded into the existing **Wells Fargo** Advantage Funds at the end of the year.

An internal memo sent Monday obtained by *Ignites* highlights a series of changes that include the rebranding of the Evergreen funds and the naming of Mike Niedermeyer, head of Wells Fargo's investment management business, as head of the combined asset management group once the merger has been completed December 31.

Peter Cieszko, president of global distribution for Evergreen, will step down, the memo states. He was slated to replace Dennis Ferro, who is retiring as president and CEO of Evergreen at the end of this year. Dana Marsh, Evergreen's chief compliance officer, has also left, according to sources familiar with the matter.

Laura Fay, a spokeswoman for Evergreen, said Cieszko's last day will be "some time in early January." She would not comment on other personnel moves.

After the merger is finalized, the asset management group will have \$500 billion in assets under management. Adding the \$80 billion in mutual fund assets that Evergreen managed as of Nov. 30, the combined mutual fund operations will represent \$242 billion, making Wells Fargo the industry's 12th largest fund shop by assets under management.

"The product breadth, quality and distribution capabilities with our new organization structure will position us for continued success and to take advantage of both economies of skill and economies of scale," Niedermeyer wrote in the memo.

Industry observers see the rebranding effort as a way to bolster sales. "There is a great opportunity for Wells Fargo to expand the reach of Evergreen funds by renaming them," says Lisa Cohen, CEO and principal of **Momentum Partners**, a firm specializing in market research and product development located in Medfield, Mass.

"If it's a signal of other changes to come — improved performance, wider distribution, for example — then it creates an opportunity for Evergreen funds to stage a comeback. If it's mascara on a frog, that's not going to help shareholders," says Cohen.

The asset management group will have four business segments, with the head of each unit reporting to Niedermeyer, the memo states. Karla Rabusch, president of Wells Fargo Advantage Funds, will head the newly combined mutual fund organization, including the mutual fund product management, operations, service and compliance functions.

Bob Bissell, president of Wells Capital Management, will head the combined core traditional asset management portfolio teams and the separate institutional account business, including institutional client servicing, operations and compliance. Evergreen affiliate **MetWest Capital Management** will report through Bissell.

Tom Hoops, formerly COO of Evergreen, will be business head of the combined businesses' specialty asset management affiliates, including **European Credit Management, Golden Capital** (minority interest), **Galliard, Wachovia Global Security Lending, Wells Fargo Security Lending** and **Evergreen Portfolio Strategy and Investment Solutions**, which includes Alternative Strategies from Wachovia. Mike Hogan will report to Hoops with responsibility for Galliard and Security Lending.

A new position, head of distribution strategies, has also been created. This position will be filled in the coming months. Further announcements are expected in the coming weeks about central staff functions and business segment reporting structures, according to the memo.