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# Ladenburg Expands

## Moves into Options and International Equities, Creates Soft-Dollar Program

Ladenburg Thalmann, the brokerage unit of 130-year old Ladenburg Thalmann Financial, has expanded its trading desk by moving into options and starting a soft-dollar business. This follows a recent expansion in its institutional equities desk, which now offers access to international equities.

The firm thinks it can thrive by providing clients with access to more asset classes and by wringing more savings out of commission dollars. It continues to focus on high-touch trading, research and the longstanding relationships of the former WJB Capital executives it recently hired, according to John "Jack" Miles, managing director of institutional sales and trading at the New York-based firm.

WJB Capital was one of several institutional brokers--Ticonderoga Securities was another - that closed earlier this year due to shrinking trading volumes and declining commissions. WJB shut its operations Jan. 3.

"We launched the soft-dollar business at Ladenburg by seamlessly moving what we had at WJB to the Ladenburg platform, Miles said. "We've been able to use the additional resources and support from Ladenburg to further expand this business."

The buy-side uses soft-dollar arrangements as a means of paying brokerage firms for their services, usually research. Ladenburg has 14 research analysts providing insight into 165 companies.

Ladenburg's new options desk is headed by Michael Marino, WJB's former director of options sales and trading. Early in his career, he traded options on the Philadelphia and Pacific Stock Exchanges.

"Under the leadership of Michael Marino, Ladenburg launched a full agency-only options trading desk," said David Rosenburg, co-president and co-chief executive. "Michael leads with idea generation and volatility analysis, and also assists our buy-side clients in mitigating market risk via various listed option strategies."

Miles began his career at Kidder, Peabody & Co. trading stock options on the floor of the American Stock Exchange. He was also a principal of his own firm, Doyle Miles & Co., a direct-access firm on the floor of the New York. Doyle Miles & Co. subsequently merged into WJB Capital Group in 2007.

Several other WJB alumni joined Miles on the Ladenburg trading desk. They are Alexander Bonello, Christopher Calabrese and Daniel Munro.

Bonello, a veteran with more than 17 years of trading experience, joined Ladenberg as a managing director for institutional sales and trading. He served as a vice president of the portfolio trading group at WJB. He has also done stints at Knight Securities, Cuttone and Co. and Pulse Trading.

Christopher Calabrese began his career at Automatic Data Processing on the financial services sales desk, where he eventually oversaw various trading teams. From there he joined Doyle Miles & Co. to oversee the entire sales initiative. As part of the merger with WJB Capital, he became that firm's head of business development.

Munro is now a vice president and sales trader on the Ladenberg desk. Munro, a 14 year pro, previously worked with Miles at WJB and at Doyle, Miles & Co. He also did a brief stint at Ferris, Baker Watts, a boutique investment bank and brokerage.

Miles told Traders Magazine the desk has grown in size from around 15 to 25 and has room to grow further. Virtually all trades are done high-touch on the desk, though the firm does offer clients algorithms from third-party providers.

With the addition of Jack and the others we were able to add bandwidth to our current team," Rosenberg said. "These guys have great relationships on the Street and that's what we were looking to leverage with our research offering."

And the firm is also listening to client requests for international equities, Rosenberg said. He added that clients have asked to trade in several European countries and in Australia.

And Ladenburg isn't done yet, either. Looking ahead, Miles said that while the firm doesn't plan any large-scale changes in its strategy, it is still looking for sales traders and staff.

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"We're always looking opportunistically to add good quality people," he said.