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**Speech to Downtown Seattle Association
Thursday February 4, 2010**

- GOOD MORNING AND THANK YOU KATE FOR YOUR INTRODUCTION.
- AS I WAS PLANNING FOR THIS TALK A FEW WEEKS AGO, I BEGAN TO GROW EXCITED ABOUT STARTING A DIALOG WITH YOU THIS MORNING– A RUNNING CONVERSATION THAT I HOPE LASTS FOR MANY DECADES. A CONVERSATION ABOUT RUSSELL’S MISSION – IMPROVING FINANCIAL SECURITY FOR PEOPLE – ABOUT INNOVATION AND ABOUT HOW WE CAN PARTNER WITH YOU TO MAKE THE EMERALD CITY THE PRE-EMINENT PACIFIC RIM BUSINESS CENTER.

[ABOUT RUSSELL](#)

- AS YOU KNOW, RUSSELL WILL MOVE TO SEATTLE LATER THIS YEAR. TODAY I WANT TO TELL YOU MORE ABOUT US, ABOUT WHY WE CHOSE SEATTLE, AND ABOUT HOW WE HOPE TO ENGAGE YOU IN THIS IMPORTANT DIALOG.
- WE ARE AN INNOVATION COMPANY. IT’S IN OUR DNA, AND HAS BEEN THAT WAY THROUGHOUT OUR HISTORY.

- WE BELIEVE THAT OUR INNOVATIONS ARE THE PRODUCT OF CONVERSATIONS – OF A DIALOG BETWEEN OUR ASSOCIATES, CLIENTS, GOVERNMENTS, REGULATORS, AND THE MONEY MANAGERS WE RESEARCH AROUND THE GLOBE.
- FOUNDED IN 1936 IN TACOMA, RUSSELL TODAY IS A GLOBAL INVESTMENT COMPANY, WITH MORE THAN \$1 BILLION IN ANNUAL REVENUES AND ASSETS UNDER MANAGEMENT IN EXCESS OF \$175 BILLION. OUR 1,800 ASSOCIATES WORLDWIDE SERVE NEARLY 3,000 CLIENTS IN 46 COUNTRIES, AND OUR RUSSELL INDEXES HAVE MORE THAN \$4 TRILLION BENCHMARKED AGAINST THEM GLOBALLY.
- WE'RE PROUD THAT MUCH OF THE INVESTMENT INDUSTRY AS WE KNOW IT TODAY– THE GOOD STUFF, MIND YOU – IS ACTUALLY THE RESULT OF RUSSELL INNOVATION. RUSSELL INVENTED THE PENSION CONSULTING INDUSTRY. WE WERE ONE OF THE FIRST TO IDENTIFY MANAGER STYLE DIFFERENCES, TO PROVIDE OBJECTIVE MANAGER RESEARCH AND STRATEGIC ADVICE, AND TO IMPLEMENT MULTI-MANAGER BEST-OF-BREED PORTFOLIOS. WE CREATED THE WELL-KNOWN RUSSELL INDEXES, AND THROUGH THE PIONEERING WORK OF GEORGE RUSSELL MORE THAN 25 YEARS AGO WE WERE PIONEERS IN EMERGING MARKETS INVESTING.
- ACTUALLY, I WAS IN DAVOS LAST WEEK AND A MAJOR THEME WAS ABOUT THE NEED TO RECYCLE INVESTMENT FUNDS FROM MATURE ECONOMIES

TO DEVELOPING ECONOMIES WHERE RETURNS CAN BE HIGHER. I
THOUGHT OF GEORGE AND KNEW HE'D ENJOY HEARING THAT.

- OUR CLIENT LIST INCLUDES MANY HOUSEHOLD NAMES, BOTH LOCAL AND GLOBAL: THE BILL AND MELINDA GATES FOUNDATION, BOEING, CATERPILLAR, COCA-COLA BOTTLING, GM, ALCOA, BARCLAYS BANKS, TOYOTA AND JC PENNEY TO NAME A SMALL FEW. IN FACT, WE JUST CELEBRATED JC PENNEY'S 40TH ANNIVERSARY AS A RUSSELL CLIENT. OF COURSE, WE'D LOVE TO HAVE MORE LOCAL CLIENTS AS WELL*.
- AND WE'RE REGULARLY RECOGNIZED AS AN INDUSTRY LEADER BY INDEPENDENT THIRD PARTIES. RUSSELL CONSISTENTLY COMES OUT ON TOP IN INDUSTRY SURVEYS FOR THINGS LIKE DUE DILIGENCE, MANAGER RESEARCH, AND TRADE EXECUTION. IT'S ALWAYS VERY GRATIFYING WHEN OTHER PEOPLE TELL YOU YOU'RE THE BEST.
- WE'RE ALSO REGULARLY HONORED AS A GREAT PLACE TO WORK. IN FACT, WE'VE BEEN ON THE FORTUNE 100 LIST 7 TIMES SINCE 1999. OUR ASSOCIATES' FEEDBACK RESULTS IN THESE HONORS, AND WE BELIEVE THEY ARE THE KEY TO EVERYTHING WE DO. RUSSELL IS A GREAT PLACE TO WORK, AND WE'RE COMMITTED TO MAINTAINING AN ENVIRONMENT WHERE PROFESSIONAL DEVELOPMENT, CONSISTENT FEEDBACK, AND OPPORTUNITIES TO GROW PROFESSIONALLY ARE UNMATCHED.

WHY SEATTLE?

- WITH THAT AS BACKGROUND, I WANT TO SPEND SOME TIME TELLING YOU WHY WE CHOSE SEATTLE AS OUR NEW HOME. BASICALLY, IT'S BECAUSE YOU'RE A VERY PERSISTENT BUNCH. YOU SIMPLY WON'T TAKE "NO" FOR AN ANSWER.
- BUT IT'S NOT JUST THAT. SEATTLE IS A CITY FAMILIAR TO THE WORLD. IT HAS A REPUTATION FOR INNOVATION, AND WE WANT TO JOIN THAT TRADITION LATER THIS YEAR. SIMPLY STATED, WE BELIEVE THAT THERE IS NO BETTER PLACE FOR US TO GROW OUR BUSINESS IN AN ENVIRONMENT THAT FOSTERS THE CONVERSATIONS THAT ARE CRITICAL TO OUR INNOVATION AND GROWTH.
- CONVERSATION YIELDS INNOVATION IS A NEW BRANDING EFFORT THAT WE LAUNCHED LAST WEEK. AND I ENCOURAGE YOU TO VISIT WWW.CONVERSATIONYIELDSINNOVATION.COM TO LEARN MORE.
- ONE IMPORTANT TYPE OF CONVERSATION IS WITH ACADEMIC INSTITUTIONS, AND WE ALREADY HAVE A STRONG, ONGOING RELATIONSHIP WITH THE UNIVERSITY OF WASHINGTON-TACOMA. BEING IN SEATTLE ALSO ENABLES US TO COLLABORATE MORE CLOSELY WITH THE UNIVERSITY OF WASHINGTON. THIS INCREASES THE POTENTIAL FOR MUTUALLY BENEFICIAL COLLABORATION BETWEEN RUSSELL AND SOME OF THE BRIGHTEST MINDS IN THIS PART OF THE WORLD. TOGETHER, I BELIEVE WE CAN SOLVE SOME OF THE TOUGHEST FINANCIAL PROBLEMS FACING THE WORLD TODAY.

- SEATTLE HAS A YOUTHFUL VIBRANCY AND IS HOME TO A YOUNG, STABLE AND HIGHLY EDUCATED WORKFORCE—A WORKFORCE THAT WE WILL NEED TO ATTRACT TO ACHIEVE OUR GROWTH AMBITIONS IN THE YEARS AHEAD.
- THERE ARE FACTORS SUCH AS THE OPPORTUNITY TO BECOME THE ANCHOR TENANT IN A WORLD-CLASS BUILDING BEARING OUR OWN NAME, AND THE LOGISTICAL FACTORS THAT MAKE SEATTLE CONVENIENT AND ATTRACTIVE FOR OUR CLIENTS, GLOBAL ASSOCIATES AND BUSINESS PARTNERS TO VISIT WHEN DOING BUSINESS WITH THE HOME OFFICE.
- I HAVE TO TELL YOU HOW EXCITED I AM ABOUT OUR NEW OFFICE SPACE! WE'RE DESIGNING AN EXCITING WORK ENVIRONMENT THAT WILL APPEAL TO GENERATION Y. WE VISITED MANY LEADING-EDGE FIRMS AROUND THE WORLD TO SEE FIRST-HAND HOW DESIGN CAN FOSTER AN ENVIRONMENT OF INNOVATION AND ENERGY, OF COLLABORATION, AND OF EMPOWERMENT. AND I'M CONFIDENT THAT THIS NEW DESIGN WILL ATTRACT THE NEXT GENERATION OF PROFESSIONALS TO RUSSELL.
- ULTIMATELY, OUR DECISION TO MOVE WAS ABOUT THE CHANCE TO BE IN THE CENTER OF A MAJOR PACIFIC RIM COMMERCIAL CENTER, ALONGSIDE OTHER GLOBAL FIRMS AND BUSINESS PIONEERS.

- REMEMBER: CONVERSATION YIELDS INNOVATION. AND I CAN THINK OF NO BETTER GROUP OF PARTNERS TO HAVE THOSE CONVERSATIONS WITH THAN MANY OF THE INNOVATORS IN THIS ROOM TODAY.

[GROWING SEATTLE'S FINANCIAL SERVICES SECTOR: HOW DSA CAN HELP](#)

- NOW LET ME SAY A WORD ABOUT WHY RUSSELL BELIEVES THE FINANCIAL SERVICES SECTOR IN SEATTLE IS SOMETHING WE CAN, AND SHOULD, GROW TOGETHER.
- YOU'RE GOING TO HEAR A FAMILIAR THEME HERE: IT'S BECAUSE CONVERSATION YIELDS INNOVATION. I'M A BIG BELIEVER IN INNOVATION CLUSTERS—GROUPS OF SIMILAR COMPANIES WORKING TOGETHER TO MUTUALLY REINFORCE EACH OTHER'S STRENGTHS AND RAPIDLY DRIVE NEW IDEAS FORWARD.
- IN THE WORLD'S FINANCIAL CENTERS LIKE LONDON, NEW YORK AND TOKYO – CITIES WHERE RUSSELL HAS MAJOR OFFICES – THERE IS A SYNERGY THAT HAPPENS WHEN YOU GET LIKE-MINDED INVESTMENT PROFESSIONALS TOGETHER. CONVERSATIONS HAPPEN, IDEAS ARE GENERATED, AND THE BEST IDEAS EMERGE MORE QUICKLY.
- THIS HAPPENS INFORMALLY AS THESE PEOPLE SOCIALIZE, COMMUTE TOGETHER, AND SEE EACH OTHER DURING THE REGULAR COURSE OF THE WORK DAY; AND IT ALSO HAPPENS FORMALLY, AS BUSINESSES PARTNER TO CROSS-DEVELOP TALENT, SOLVE PROBLEMS, AND IMPROVE

FINANCIAL SECURITY FOR PEOPLE. SELFISHLY, IT ALSO PROVIDES AN EVEN LARGER POOL OF INVESTMENT TALENT.

- AS A RECOGNIZED THOUGHT LEADER, RUSSELL WANTS TO PLAY A LEADING ROLE IN SEEING THIS KIND OF CRITICAL CLUSTER OF FINANCIAL SERVICES BUSINESSES TAKE SHAPE IN DOWNTOWN SEATTLE.
- WE'RE VERY INTERESTED IN ATTRACTING MORE MONEY MANAGERS TO SEATTLE AND I'D LIKE TO FIGURE OUT HOW TO MAKE THAT HAPPEN.
- ONCE WE'RE SETTLED HERE I INTEND TO GATHER A GROUP OF PEOPLE WHO REPRESENT ASSET MANAGERS, BANKS, PRIVATE EQUITY, VENTURE CAPITAL, FAMILY OFFICES, AND OTHERS TO BRAINSTORM WAYS TO CREATE A LARGER AND MORE VIBRANT MONEY MANAGING SECTOR HERE IN SEATTLE.
- I KNOW "*ENTERPRISE-SEATTLE*" HAS ALSO DEVELOPED A DETAILED KING COUNTY ECONOMIC ACTION PLAN – AN ECONOMIC DEVELOPMENT ROAD MAP FOR THE FUTURE OF THE REGION. I LIKE THIS APPROACH AS A WAY TO MOVE THE REGION QUICKLY THROUGH THE ECONOMIC DOWNTURN WHILE ESTABLISHING KING COUNTY AS A STRONGER COMPETITIVE AREA FOR THE ECONOMIC FUTURE.

- I NOTED WITH INTEREST THAT PHASE 2 OF THE PLAN INCLUDES BUSINESS/FINANCIAL SERVICES AS ONE OF THE SIX INDUSTRY CLUSTERS TARGETED FOR DEVELOPMENT. WE LOOK FORWARD TO WORKING WITH DSA, “ENTERPRISE-SEATTLE” AND OTHERS TO DEVELOP A TARGETED PLAN FOR OUR SECTOR OF THE ECONOMY.
- IN CLOSING, LET ME SAY THANK YOU FOR YOUR ATTENTION THIS MORNING. THANK YOU FOR LISTENING TO THE OPENING REMARKS IN WHAT I HOPE WILL BE A LENGTHY AND MUTUALLY PRODUCTIVE DIALOG – A CONVERSATION THAT WILL BENEFIT EVERYONE IN SEATTLE FOR YEARS TO COME.
- RUSSELL IS THRILLED THAT WE WILL HAVE A SEATTLE ADDRESS LATER THIS YEAR. I HOPE WE CAN RETURN THE WARM WELCOME YOU’VE PROVIDED US ONCE WE ARRIVE, AND I LOOK FORWARD TO WORKING WITH YOU IN THE DAYS AHEAD. I ALSO LOOK FORWARD TO TALKING WITH YOU AFTER THE PROGRAM TODAY. THANK YOU.

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** U.S. and non-U.S. clients on this representative list were selected from Russell Investments complete client roster from those who have given permission to publish their names (as of 4/09). U.S. publicly-held companies listed are Russell clients that appear on the 2008 Fortune 100 list. The non-public company client and endowment/foundation client are each those with the highest total assets. Non-U.S. clients listed represent those with the highest total assets in each of the following regions: Austral-Asia, Japan and Europe. Performance-based data was not used in selecting listed clients.*