



SOUND INVESTMENT

*St. George Farm Owners
Bullish on the Bluegrass*

By Jacalyn Carfagno | Photos by Lee Thomas

Managing risk is Ian Banwell's business. That's what he did as chief investment officer for Bank of America before he founded his own investment firm. At St. George, the racing stable and farm he and his wife, Carrie, have developed, Banwell exercises his risk-management skills while indulging his love of horses.

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Ian took to horses and racing as a teenager in Lexington while his father, a transplanted British doctor, served as head of the department of gastroenterology at the University of Kentucky hospital.

When Ian graduated from Washington & Lee University in 1985, he headed to Charlotte, N.C., to work in banking. Carrie had also landed in banking in Charlotte and the two met there. Their careers took them to New York, where Ian introduced Carrie to racing. “Ian corrupted me at Monmouth Park in the '80s,” she said.

A decade or so later, back in Charlotte, they had both the itch and the means to contemplate buying horses. But they didn't have the time. “We had young children; we had soccer games every weekend,” Carrie said. Working with Ian's high school friend from Lexington, veterinarian Bryan Boone, they began investing in syndicates. “We began to buy ears and tails, little pieces of horses,” she said.

The clincher that propelled them from pieces of horses to the whole thing came on Derby Day in 2000, when their syndicate had a horse racing on the under card. “That sealed the deal,” Ian said. It didn't matter that their horse wasn't in the big race. “That's the crazy thing. It was just the excitement of being

there, being part of the Derby.”

“Crazy,” perhaps, but not an impulsive decision to pour money into a risky, if ego-gratifying, run at the races.

Since that day in 2000 they've plotted a deliberate course, assembling a broodmare band, expanding their relationships in the industry and, in 2005, buying what is now St. George Farm (named for the British patron saint in honor of Ian's late father), a 100-acre jewel that was part of Elmendorf Farm. Their farm includes half of the famous Lion's Circle as part of an easement that goes through Elmendorf. Generally they have about 20 horses in training, 20 broodmares at the farm, and about the same number combined of babies, weanlings, and yearlings.

The Banwells love the farm and the horses, but that affection is informed by their business acumen. “This is a small Thoroughbred nursery; if we do this right, we can make money,” Carrie said.

Record of Success

Ian's track record has attracted some high-profile investors including billionaire George Soros and Harvard University to his Round Table Investment Management Company, which in May reported holdings of \$1.14 billion. Carrie shifted gears 10 years



ago from investment banking to have more time for their three children. An amateur musician, she founded Music Together of Charlotte, a program for young children.

St. George, like the others, “is a for-profit business,” Ian said. The Thoroughbred business involves significant risk and the Banwells don’t expect to make money every year. But, it’s possible to stay in the black for the long haul if you “make a concise plan and listen very carefully to experts.”

“He’s aware of the ups and downs of this business, which he has in his business,” said Rogers Beasley, Keeneland’s vice president of racing. And the Banwells have chosen their advisors well, he said. “He’s been smart enough to go get the right people, survey the whole situation, and figure out who he should use.”

The experts they listen to include trainers John Shirreffs on the West Coast and Vicki Oliver on the East Coast; Oliver’s father, G. Watts Humphrey Jr., who owns Shawnee Farm near Harrodsburg; bloodstock specialist David Ingordo; and Reiley MacDonald of Eaton Sales.

“We’ve been incredibly fortunate in our experience in the industry,” Ian said. “If everybody that got into it had the experience that we’ve had, the sport would be 50 times larger.”

The Banwells have tried to help it grow, hosting a dinner for

Virginian Robert Carter Harrison built the Greek Revival-style house in the 1830s. Ian Banwell named the farm in honor of his father and incorporated the cross of St. George into the barn’s exterior, left.



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Simplicity is a hallmark of the Banwells' style, allowing the house's elegant proportions and striking woodwork to shine. Opposite, the billiard room is a place to relax.



potential Thoroughbred investors through Keeneland's Ambassador Program, Beasley said. "They're young and enthusiastic, great for our business."

The Banwells are among "those special people who come along every now and then who make the business fun," said McDonald, who met Ian when he began coming to sales a few years ago. They became friends and continued their business relationship. In 2010 McDonald sold the highest-priced filly at the Keeneland September Yearling Sale for the Banwells, for \$900,000.

"We were lucky last year," Ian said.

Their plan is to race fillies, which then become broodmares. That's a regenerative, risk-management strategy recommended by Watts Humphrey, who counseled Ian that "the joy but also the staying power comes from the female side."

The word "joy" pops up often as the Banwells talk about raising and racing Thoroughbreds. "The sport brings people joy on a lot of levels; the horses are incredible athletes, magnificent animals; the spectacle of the races is beautiful," Ian said.

"Winning with a homebred is the ultimate joy," Carrie remarked.



They've been in the business long enough and suffered enough losses to savor the joy of winning. "We know to jump up and down, to smile a lot, and be grateful," Ian said. With four stakes winners last year, "we were over the moon."

In addition, the Banwells enjoyed success at the recent Keeneland fall meet, where they and Humphrey had several winners in partnership. "Keeneland is one of our country's gems — a beautiful place to see friends, have a laugh, and enjoy some of the best racing in the world," Carrie said.

Said McDonald: "They love the business; they love the farm; they love their horses."

He thinks it's inevitable that Ian will be called on to take a leadership role in the Thoroughbred industry. "Ian is a very, very smart guy ... he's got a great mind. At some point people in the Thoroughbred business, after they get to know him, will start to use his mind. He could be a huge help to any number of organizations in the industry."

Pull of Kentucky

Ian was born in Uganda and grew up there, in India, England, and the United States. His mother, a Virginia native, had deep

roots at Washington & Lee, where Ian graduated with a degree in economics and won all-conference honors playing football.

The couple has lived in Charlotte, New York, and Hong Kong, but the Kentucky Bluegrass has claimed them. "Virginia is beautiful, but this is special," Carrie said.

The Banwells find both joy and peace in the beauty of their farm and the Bluegrass. The house, once known as "Clifton," is a classical gem with elegant proportions built in the 1830s by Robert Carter Harrison, who had moved to Kentucky from Clifton, Va. The Banwells bought the farm from Beth Clifton Murphy, who had renovated and expanded the house and planted the gardens.

One of the first moves the Banwells made was to place the farm in Fayette County's Purchase of Development Rights Program to ensure it will always remain farmland. "Ian's mom cared deeply about protecting the land in Lexington from overdevelopment way back in the '70s when they lived here, so it has always been a part of Ian's life," Carrie said.

As a business person, Ian understands the pressure to create jobs and economic activity by developing farmland, but he said before that's done there should be "a thoughtful process"

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looking at the big picture. “Every community’s got to make its choices. It is difficult to sort out short-term and long-term factors, but you must think about both time frames in making decisions about land use.” Before any farmland is bulldozed, he said, “there should be a fairly passionate fight to preserve the Bluegrass.”

For the Banwells, Central Kentucky and their farm are a refuge and a favorite place to bring guests from Charlotte and elsewhere.

“It’s our great privilege to bring people here; they’re always amazed,” Carrie said. “The Bluegrass is a national treasure.”

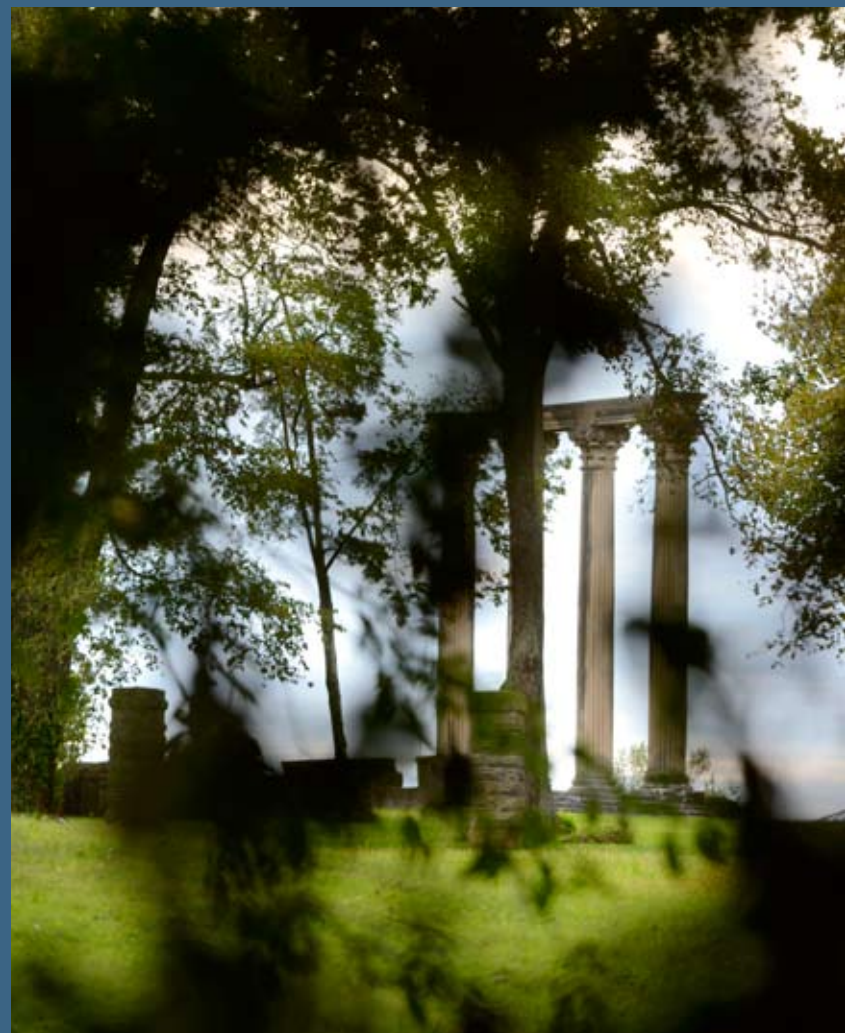
Like their parents, the Banwell children have begun to invite friends to the farm. The two teens, Allie, 17, and Turner, 15, attend Groton Academy. (Mr. Commons, one of St. George’s stakes-winning horses, is named after the headmaster there.) Clement, 12, is still at home. All three kids enjoy the farm but perhaps in a different way from their parents.

“They’re teenagers, so they want to be with their friends,” Carrie said about the older two. Clement “is very animal-oriented” and likes going to the races, but the clubhouse can present a challenge. “He doesn’t like wearing a tie so much.”

With the poor cell phone service on the farm, the kids have learned to enjoy the peace and a slower pace. “There’s a lot of time just meandering by the creek.”

For now the Bluegrass is a place to visit, a change of pace from life in Charlotte. The Banwells hope that when they have more flexible schedules they’ll be able to spend more time watching their horses graze on their Kentucky farmland, enjoying the peace of their home, and embracing life in the Bluegrass.

Often when they come to St. George Farm, it’s for the races or the sales, but not always, Carrie said. “Sometimes, we just come here and shut the gate.” ; 🐾



Clockwise from left, a statue in the reflecting pool behind the house; young horses at pasture; an outbuilding now used as a chapel; a view of the columns of Green Hills mansion on neighboring Elmendorf Farm