
Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Names of the Claimants

Bonnie Watson, individually
Bonnie Watson, MPPP
Bonnie Watson, SEP IRA

Case Number: 03-04694

Names of the Respondents

Robert W. Baird & Co. Incorporated
Gordon Owens

Hearing Site: Orlando, Florida

Nature of the Dispute: Customer vs. Member and Associated Person.

REPRESENTATION OF PARTIES

For Bonnie Watson, individually; Bonnie Watson, MPPP; and Bonnie Watson, SEP IRA, hereinafter collectively referred to as "Claimants": Robert Dyer, Esq., Allen, Dyer, Doppelt, Milbrath & Glichrist, P.A., Orlando, Florida.

For Robert W. Baird & Co. Incorporated ("Baird") and Gordon Owens ("Owens"), hereinafter collectively referred to as "Respondents": Gregory G. Wille, Esq., Wille, Gregory & Landeen, LLP, Milwaukee, Wisconsin.

CASE INFORMATION

Statement of Claim filed on or about: June 23, 2003.

Claimants signed the Uniform Submission Agreement on: May 14, 2003.

Statement of Answer filed on or about: September 24, 2003.

Respondent Baird signed the Uniform Submission Agreement on: September 23, 2003.

Respondent Owens signed the Uniform Submission Agreement on: September 23, 2003.

CASE SUMMARY

Claimants alleged the following causes of action: 1) breach of fiduciary duty; 2) breach of contract 3) suitability; 4) failure to supervise; and 5) negligent misrepresentation. The causes of action relate to investments including, but not limited to, Baird's Dynamic Growth Portfolio, Aim Equity Blue Chip Fd A, Aim Group Value Fd A, FT 418 Nasdaq 100, Growth Fund America A, Janus Investment Fd, Janus Mercury Fd, Janus Olympus Fd, Janus Worldwide Fd A, Putnam New Opptys Fd A, Putnam OTC & Emerging Gwth A, Putnam Voyager Fd A, Rydex Ser Tr OTC, Van Kampen Biotech & Pharm 9B, and NASDAQ 100.

Unless specifically admitted in their Answer, Respondents denied the allegations made in the Statement of Claim and asserted various defenses.

RELIEF REQUESTED

Claimants requested: 1) compensatory damages plus legal interest in the amount of \$237,871.61; 2) punitive damages; 3) costs and expenses; 4) attorneys' fees; and 5) such other relief the undersigned arbitrators (the "Panel") deemed just and proper.

Respondents requested: 1) dismissal of the Statement of Claim in its entirety; and 2) that Claimants pay all costs and forum fees.

OTHER ISSUES CONSIDERED AND DECIDED

The parties agreed that the Award in this matter may be executed in counterpart copies or that a handwritten, signed Award may be entered.

AWARD

After considering the pleadings, the testimony and evidence presented at the hearing, and the post-hearing submissions (if any), the Panel has decided in full and final resolution of the issues submitted for determination as follows:

1. Respondents are jointly and severally liable and shall pay to Claimants compensatory damages in the amount of \$65,000.00, plus interest at the Florida statutory rate that shall accrue from August 27, 2004 until the date the Award is paid. The Panel finds Respondent liable on the claim of suitability.
2. Claimants' request for attorneys' fees is denied.
3. The parties shall bear their own costs, including expert witness fees.
4. Any and all claims for relief, including Claimants' request for punitive damages, not specifically addressed herein are denied.

FEES

Pursuant to the NASD Code of Arbitration Procedure (the "Code"), the following fees are assessed:

Filing Fees

NASD will retain or collect the non-refundable filing fees for each claim:

Initial claim filing fee = \$ 300.00

Member Fees

Member fees are assessed to each member firm that is a party in these proceedings or to the member firm that employed the associated person at the time of the events giving rise to the dispute. Accordingly, Respondent Baird is a member firm and a party.

Member surcharge	= \$1,700.00
Pre-hearing process fee	= \$ 750.00
Hearing process fee	= \$2,750.00

Adjournment Fees

Adjournments granted during these proceedings for which fees were assessed:

There were no adjournments requested during these proceedings for which fees were assessed.

Injunctive Relief Fees

Injunctive relief fees are assessed to each member or associated person who files for a temporary injunction in court. Parties in these cases are also assessed arbitrator travel expenses and costs when an arbitrator is required to travel outside his or her hearing location and additional arbitrator honoraria for the hearing for permanent injunction. These fees, except the injunctive relief surcharge, are assessed equally against each party unless otherwise directed by the panel.

There were no injunctive relief fees assessed during these proceedings.

Forum Fees and Assessments

The Panel has assessed forum fees for each session conducted. A session is any meeting between the parties and the arbitrators, including a pre-hearing conference with the arbitrators, that lasts four (4) hours or less. Fees associated with these proceedings are:

One (1) Pre-hearing session with Panel @ \$1,125.00 per session	= \$ 1,125.00
Pre-hearing conference: December 17, 2003 1 session	
Nine (9) Hearing sessions @ \$1,125.00 per session	= \$10,125.00
Hearing Dates: August 23, 2004 2 sessions	
August 24, 2004 3 sessions	
August 25, 2004 2 sessions	
August 26, 2004 2 sessions	
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Total Forum Fees	= \$11,250.00

The Panel has assessed forum fees in the amount of \$5,625.00 jointly and severally to Claimants.

The Panel has assessed forum fees in the amount of \$5,625.00 jointly and severally to Respondents.

Administrative Costs

Administrative costs are expenses incurred due to a request by a party for special services beyond the normal administrative services. These include, but not limited to, additional copies of arbitrator awards, copies of audio transcripts, retrieval of documents from archives, interpreters, and security.

There were no administrative costs incurred during these proceedings.

Fee Summary

Claimants are jointly and severally liable for:

Initial Filing Fee	= \$ 300.00
Forum Fees	= \$5,625.00
Total Fees	= \$5,925.00
Less payments	= \$1,425.00
Balance Due NASD Dispute Resolution	= \$4,500.00

Respondent Baird is solely liable for:

Member Fees	= \$5,200.00
Total Fees	= \$5,200.00
Less payments	= \$5,200.00
Balance Due NASD Dispute Resolution	= \$ 0.00

Respondents are jointly and severally liable for:

Forum Fees	= \$5,265.00
Total Fees	= \$5,625.00
Less payments	= \$ 0.00
Balance Due NASD Dispute Resolution	= \$5,625.00

All balances are payable to NASD Dispute Resolution and are due upon receipt pursuant to Rule 10330(g) of the Code.

ARBITRATION PANEL

James P. Ryan	-	Public Arbitrator, Presiding Chairperson
Theodore H. Focht, Esq.	-	Public Arbitrator
John Lewis Chalif, Esq.	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

_____/s/_____
James P. Ryan
Public Arbitrator, Presiding Chairperson

September 17, 2004
Signature Date

/s/
John Lewis Chalif, Esq.
Non-Public Arbitrator

September 17, 2004
Signature Date

Dissenting Arbitrator's Signature

Arbitrator Focht dissents with the issue of liability. Arbitrator Focht would deny Claimants' claims with prejudice.

/s/
Theodore H. Focht, Esq.
Public Arbitrator

September 17, 2004
Signature Date

September 17, 2004
Date of Service (For NASD Dispute Resolution office use only)

Sep. 17. 2004 10:39AM NASD

No. 5064 P. 5/6

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Administrative Costs

Administrative costs are expenses incurred due to a request by a party for special services beyond the normal administrative services. These include, but not limited to, additional copies of arbitrator awards, copies of audio transcripts, retrieval of documents from archives, interpreters, and security.

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Claimants are jointly and severally liable for:

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Respondents are jointly and severally liable for:

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Total Fees	= \$5,625.00
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Balance Due NASD Dispute Resolution	= \$5,625.00


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ARBITRATION PANEL

James P. Ryan
 Theodore H. Focht, Esq.
 John Lewis Chalif, Esq.

- Public Arbitrator, Presiding Chairperson
 - Public Arbitrator
 - Non-Public Arbitrator


Concurring Arbitrators' Signatures


 James P. Ryan
 Public Arbitrator, Presiding Chairperson

JAMES P. RYAN

SEP 17, 2004
 Signature Date


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John Lewis Chalif, Esq.
Non-Public Arbitrator

9-17-04
Signature Date

Dissenting Arbitrator's Signature

Arbitrator Focht dissents with the issue of liability. Arbitrator Focht would deny Claimants' claims with prejudice.


Theodore H. Focht, Esq.
Public Arbitrator


Signature Date

Date of Service (For NASD Dispute Resolution office use only)

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Theodore H. Focht

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Sep. 17. 2004 10:35AM

NASD

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John Lewis Chalif, Esq.

Non-Public Arbitrator

Signature Date

Dissenting Arbitrator's Signature

Arbitrator Focht dissents with the issue of liability. Arbitrator Focht would deny Claimants' claims with prejudice.


Theodore H. Focht, Esq.

Public Arbitrator

September 17, 2004

Signature Date

Date of Service (For NASD Dispute Resolution office use only)