

# Top Hedge Fund Investors

*Stories, Strategies, and Advice*

CATHLEEN M. RITTEREISER  
LAWRENCE E. KOCHARD,  
PHD, CFA



WILEY

John Wiley & Sons, Inc.

# Contents

|                          |             |
|--------------------------|-------------|
| <b>Preface</b>           | <b>ix</b>   |
| <b>Acknowledgments</b>   | <b>xiii</b> |
| <b>About the Authors</b> | <b>xv</b>   |

## **PART ONE**

---

|   |           |
|---|-----------|
| <b>Evolution of the Hedge Fund Industry and Investing</b>                                   | <b>1</b>  |
| <b>CHAPTER 1</b>  |           |
| <b>The Truth about Hedge Funds: From Misunderstood Investment Vehicle to Household Word</b> | <b>3</b>  |
| <b>CHAPTER 2</b>  |           |
| <b>The Investment Process: Best Practices of Successful Hedge Fund Investors</b>            | <b>15</b> |
| <b>CHAPTER 3</b>  |           |
| <b>The Hedge Fund Investment Landscape: A Snapshot in Time</b>                              | <b>25</b> |

## **PART TWO**

---

|   |           |
|---|-----------|
| <b>Top Hedge Fund Investors: Stories and Strategies</b>   | <b>31</b> |
| <b>CHAPTER 4</b>  |           |
| <b>Author of the Hedge Fund Investing Story: Richard Elden, Founder and Former Chairman, Grosvenor Capital Management</b> | <b>33</b> |
| <b>CHAPTER 5</b>  |           |
| <b>The Predictive Value of Performance: Frank Meyer, Founder and Former Chairman, Glenwood Capital Investments</b>        | <b>47</b> |

|  |            |
|--|------------|
| <b>CHAPTER 6</b>   |            |
| <b>The Best Qualities of Limestone: James R. Hodge, President and Chief Investment Officer, Permal Asset Management Inc.</b>           | <b>69</b>  |
| <b>CHAPTER 7</b>   |            |
| <b>An Asymmetrical Talent: Mark J.P. Anson, Managing Partner and Chair of the Investment Committee, Oak Hill Investment Management</b> | <b>83</b>  |
| <b>CHAPTER 8</b>   |            |
| <b>Early Endowment CIO and Entrepreneur: Louis W. Moelchert, Jr., Managing Partner, Private Advisors, LLC</b>                          | <b>103</b> |
| <b>CHAPTER 9</b>   |            |
| <b>An Ambassador of the Highest Standard: Christopher Fawcett, Co-Founder, Senior Partner, Fauchier Partners</b>                       | <b>117</b> |
| <b>CHAPTER 10</b>  |            |
| <b>A Risk Management Mastermind: Deepak Gurnani, Head of Hedge Funds, Investcorp</b>   | <b>137</b> |
| <b>CHAPTER 11</b>  |            |
| <b>A Driver of Returns: Kathryn A. Hall, Chairman, Chief Executive Officer, and Chief Investment Officer, Hall Capital Partners</b>    | <b>155</b> |
| <b>CHAPTER 12</b>  |            |
| <b>A Better Way: Ted Seides, Co-Founder, Protégé Partners</b>  | <b>173</b> |
| <b>CHAPTER 13</b>  |            |
| <b>The Quality of the People: A Review and Preview</b>   | <b>199</b> |
| <b>Notes</b>   | <b>211</b> |
| <b>Index</b>   | <b>215</b> |