


# Peter Cooper's Cooper Investors pitches family and founders fund to investors in \$500m raising

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**EXCLUSIVE**

By **DAMON KITNEY**, VICTORIAN BUSINESS EDITOR

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Funds management legend Peter Cooper likes to call the stocks in his firm's Family and Founder global fund the Cooper Investors version of private equity.

"There are some phenomenal private equity opportunities and firms out there but most of them (are) not. What we see in these companies is our version of — albeit a public company — private capital kind of expression with a couple of key differences [to private equity]," he told a private presentation on the fund hosted by Hamilton Wealth Partners on Tuesday.

The [Family and Founder global fund](#), which invests in founder and family-led firms across the world, is opening to new investors in a \$500m raising, due to close in March. The raising was recently up-scaled from \$300m in October due to significant demand from wealthy investors. Half of the issue has already been covered.

Since inception last year the portfolio, which is overseen by Cooper Investors' global equities portfolio manager Allan Goldstein and deputy portfolio manager Marcus Guzzardi, has delivered investors double-digit returns.

"We are incredibly pleased with the support the Family and Founder Fund has received to date," Mr Goldstein said. "It's a fund that aligns with the values of Cooper Investors and our core investment philosophy. We focus on management teams and the best founder-led and family link companies in the world."

Mr Cooper said the 20 companies in the fund offered the hallmarks of private equity, but with important differences.

“Firstly these are not leveraged companies, these are generating high rates of return without leverage,” he told the forum. “Secondly, benchmarked against the average private equity firm, these guys are far superior in terms of industry depth and nuanced knowledge that can add value in very niche but big markets. They add most of their value through strategic and operational knowledge, not through financial structuring and leverage.

“We have endless examples of this being a wonderful source of industry knowledge for us as an organisation. So we felt it was worthy of its own category.

“It is a focused expression of something we really value. We are attracted to the old-fashioned idea of proprietorial management structures.”

Cooper Investors, which has \$12bn in assets under management around the world, [launched the Family and Founder](#) fund in July last year with an initial \$100m injection, funded by the firms’ staff and some key high-net-worth backers to prove up the investment strategy.

Mr Goldstein said Cooper’s focus on family or founder-linked companies was part of its DNA. Half the firm’s flagship Brunswick Fund started by Mr Cooper nearly two decades ago is invested in family or founder-linked companies, both domestic and global.

Investors have traditionally been wary of investing in companies with big founding shareholders because of related-party transactions, excessive dividend payments to suit the big shareholder or executive appointments made on bloodline rather than merit.

But Mr Guzzardi said none of the firm’s investee companies had experienced these issues, nor conflict within families.

“In the instance where the family has several generations in important roles we make the effort to meet them and understand their perspectives,” he said.

#### **DAMON KITNEY, VICTORIAN BUSINESS EDITOR**

Damon Kitney has spent two decades in financial journalism, including 16 years at The Australian Financial Review in a variety of writing and editing roles in Sydney, Melbourne, Canberra and Perth, including 5 ... [Read more](#)

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