

Cooper Investors opens up Family and Founder fund to raise \$300m



Cooper Investors' Peter Cooper.

Picture: Jane Dempster

• **DAMON KITNEY**

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Funds management legend Peter Cooper is opening his Family and Founder global fund to new investors in a \$300 million raising that will more than treble its size.

The fund invests in founder and family-led firms across the globe.

Mr Cooper's Cooper Investors, which has \$11bn 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.

Since inception the portfolio, which is overseen by Cooper Investors' global equities portfolio manager Allan Goldstein, has delivered a return before fees of 17.67 per cent.

This outperformed its benchmark, the MSCI ACWI Index - MSCI's flagship global equity index - by 11.06 per cent.

For the past quarter the fund delivered a 7.5 per cent return versus the MSCI World ACWI's 3.9 per cent.

"The fund's holdings have weathered the pandemic well thus far," Mr Goldstein and deputy portfolio manager Marcus Guzzardi wrote in the

fund's latest quarterly newsletter to clients sent on Wednesday morning. "The recent results from the portfolio holdings have given us further vindication in the merits of the Family and Founder led strategy. The stocks have displayed resilient businesses, strong balance sheets and value latency.

"Importantly cash generation continues to be strong which allows these businesses and managers to continue investing in their operations. While the strong balance sheets and cash flows have helped support these businesses and stocks in weaker times we are starting

to see a shift to the deployment and investment phase. Savvy decisions by management while competition is under pressure can set up a company for the next period."

Its top performing stocks were Techtronic Industries (owner of Milwaukee tools and Ryobi) which was up 34 per cent, and American property maintenance and remodelling services company FirstService, which was up 28 per cent. Both benefited from a strengthening US property market.

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Other strong performers included Nordic Investment company Latour, life sciences and diagnostics firm Daniher, laboratory services operator Eurofins and life sciences software firm Veeva Systems, which were all up over 20 per cent.

It is understood Cooper Investors believes there is \$100m in latent demand for the fund from existing investors and a further \$150m of demand from new Investors.

The raising will mean the fund will more than triple in size to around \$400m, giving it significant additional scale.

The launch of the Family and Founder fund last year reflected Mr Cooper's long-held belief that portfolio investing in founder-led, family-linked or employee-owned companies will deliver performance over the long term.

This means having average insider ownership of at least 20 per cent and an average management tenure or family involvement of 40 years or more.

There are 20 stocks in the Family and Founder fund. Seventy per cent of the long-only portfolio is invested in companies with market values below \$30bn.

[In April](#) Mr Cooper also opened his firm's flagship Brunswick Fund for the first time in two years in a \$100m raising. Brunswick made a 6.1 per cent return for the year to June 30, against a -7.68 per cent return for its benchmark.

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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