

# Annual Letter 2018—2019

## CENTER OVERVIEW

With the retirement of Professor Greenwald, Professor Tano Santos will assume the role of faculty director of the Heilbrunn Center. He joined the Heilbrunn Center as Head of Research in 2010 and has been a co-director with Bruce Greenwald since 2011.

Professor Tano Santos joined the faculty of Columbia Business School in 2003. He received his *Ph. D. in Economics*, Department of Economics, University of Chicago, Chicago, IL in 1996. He received his *BS in Economic and Business Sciences*, Facultad de CC. Económicas y Empresariales, Universidad Complutense de Madrid, Madrid, Spain in 1990. Before joining Columbia, Professor Santos was an Associate Professor of Finance at the Graduate School of Business at The University of Chicago.

His research focuses on two distinct areas. A first interest is the field of asset pricing with a particular emphasis on theoretical and empirical models that can account for the predictability of returns, both in the time series and the cross section. A second interest is applied economic theory, specifically, the economics of financial innovations as well as theory of organizations.

Professor Santos has written academic publications which have appeared in leading journals such as *Quarterly Journal of Economics*, *The American Economic Review Papers and Proc.*, *The Journal of Political Economy*, *The Review of Financial Studies* and *The Journal of Public Economics*. Of these publications, his “Prospect Theory and Asset Prices” (with N. Barberis and M. Huang) *Quarterly Journal of Economics*, February 2001, vol. 116 (1), pp. 1-53 was the winner of the 2000 FAME Research Prize.

He has also made an imprint on the value investing community and Columbia Business School at large through his teachings which include Value Investing, Value Investing with Legends, and Modern Value, which he developed in conjunction with Jeff Mueller ’13.

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## WOMEN IN VALUE INVESTING

One of the Heilbrunn Center's top priorities is to bring together women at various stages of their career who are interested in investment management.

*"The Women in Investing (WIN) Conference helped me deepen my commitment to investment management as a career while building relationships with talented women across the industry."*

- Ashley Allen '19

## WOMEN IN VALUE INVESTING

The Heilbrunn Center for Graham & Dodd Investing and Columbia Business School's Private Equity Program co-hosted the 3rd Annual Women in Finance event this summer. The focus of this year's discussion was on career progression and how women in finance can connect and leverage one another's experience.

The discussion was led by Professor Donna Hitscherich '90 (Columbia Business School) and panelists included: Mallory Downing '15 (Adakin Capital), Aimee Molle (EY), and Bola Osakwe (KKR).



*Donna Hitscherich '90, director of the Private Equity Program, with Meredith Trivedi, director of the Heilbrunn Center for Graham & Dodd Investing, and panelists Mallory Downing '15, Aimee Molle, and Bola Osakwe at the 3rd Annual Women in Finance event*



*Guests ask questions to the panel at the 3rd Annual Women in Finance event*

## Women in Investing (WIN) Conference

The Women in Investing Conference (WIN) is an annual investing forum for full-time female students at domestic top business schools and investment professionals from sponsoring firms. It provides women with an opportunity to network, learn about relevant industry topics, practice their stock picking and pitching skills, and receive feedback and advice from industry practitioners.

Capital Group is Columbia Business School's corporate sponsor. They participate by selecting a team of students that attends the conference, serving as mentors, and attending the forum in Boston. Columbia Business School's team comprised of Ashley Allen '19, Victoria Gu '19, Jade Hu '19, and Aleksandrina Ivanova '19 won 1st place at the event. Congratulations to the team!

## Annual Alumnae Panel

The Heilbrunn Center's annual alumnae panel took place in fall 2017. The panel provided a vehicle for honest and thoughtful insight into the Value Investing Program at the Business School for women and the career trajectory of investment management. Panelists included Mallory Downing '15 (Adakin Capital), Thais Fernandes '16 (Verde Asset Management), and Annie Weiss (MIT Endowment Office). The Center also hosted a panel with female students in the Value Investing Program to discuss their experience with students in their first year of business school.

## The Women's Committee

The Heilbrunn Center for Graham & Dodd Investing has established a Women's Committee with the goal of increasing female representation in the investment management industry.

The committee, lead by Lauren Krueger '02, includes Alexandra Cowie '17, Joanna Vu '17, and Jenny Wallace '94. During the committee's first meeting, they established a 3-step approach to the issue at hand: help build the pipeline at the undergraduate level, highlight and further develop the current MBA population, and help the graduating students and those who have recently entered the industry to succeed. Included in this initiative is the Heilbrunn Center for Graham & Dodd Investing Fellowship which is a full tuition fellowship for a female student who has exemplary skills and background in value investing. The student recipient will receive full two year tuition to the School which is funded through the Heilbrunn Center budget.

## Value Investing Scholarships

Columbia Business School offers various scholarship opportunities to students who are affiliated with value investing including The Charles H. Brunie Scholarship, The Russo Family Scholarship, The Value Investing Program Scholarship (Pershing Square Funding), The Benjamin '05 and Beth Hesse Endowed Scholarship Fund, The John W. Liang Scholarship, The Margaret Cannella '76 Scholarship Fund, The Heilbrunn Scholarship, and The CSIMA Scholarship, and the new Heilbrunn Center for Graham & Dodd Investing Fellowship noted in the section above.



*Women students engage with the panelists at the "Is the VI Program Right for Me" panel*

*"We were thrilled to invest in a new generation of business and investment leaders building on the original tenants of Graham and Dodd."*

*- Benjamin Adam Hesse '05 and Beth Hesse*

## THE HEILBRUNN CENTER IN OMAHA

*“Going to Omaha was one of the greatest experiences of my life and one that I will never forget. I went to CBS for the Value Investing Program to learn the principles of investing put forth by Graham & Dodd and advanced by Buffett, and this trip one-upped that by allowing me to meet the Master and learn from him in-person. This trip is at the top of my list of most memorable CBS moments.”*

- Cory Fulton '18



*The class of 2018 students with Warren Buffett '51 in Omaha*

## THE HEILBRUNN CENTER IN OMAHA

The Heilbrunn Center traveled to Omaha twice over the 2017-2018 academic year. The annual student trek provided an opportunity for second year students to engage with Warren Buffett '51 and Todd Combs '02 in a private setting. Additionally the Center is in Omaha each spring to host the “From Graham to Buffett and Beyond” Dinner sponsored by Gabelli Funds. This year was the 9th annual dinner and featured speakers included Mario Gabelli '67 (GAMCO Investors); Jan Hummel (Paradigm Capital); Thomas Russo (Gardner Russo & Gardner LLC.); and Bruce Greenwald (Columbia Business School) as moderator. This trip also gives the Center an opportunity to connect with students, alumni, and value investing community members who are attending the Berkshire Hathaway Shareholder Meeting.

Save the date to join us for next year's 10th Annual “From Graham to Buffett and Beyond” Dinner which will be held on Friday, May 3, 2019 in addition to CSIMA's 5th Annual alumni happy hour following the Berkshire Hathaway Shareholder Meeting on Saturday, May 4, 2019!



*Professor Bruce Greenwald and panelists Mario Gabelli '67, Jan Hummel, and Thomas Russo at the 9th Annual “From Graham to Buffett and Beyond” Dinner*



*Alumni and friends connecting at the 9th Annual “From Graham to Buffett and Beyond” Dinner*

## **BEN GRAHAM MEETS TECHNOLOGY**

The Heilbrunn Center for Graham and Dodd Investing hosted an event to bring together two merging topics: value investing and technology. The conversation featured Professor Tano Santos, David L. and Elsie M. Dodd Professor of Finance, faculty co-director of the Heilbrunn Center, and Professor Kent Daniel, William von Mueffling Professor of Business, and was attended by both students and alumni of the Value Investing Program.



*Professor Tano Santos and Professor Kent Daniel discuss fundamental value in a technology driven world*

## **STUDENT SPOTLIGHT**

The 2017-2018 academic year came to a successful close for the Columbia Student Investment Management Association under the leadership of co-presidents Jamie Schmidt '18 and Justin Weiss '18. The Heilbrunn Center would like to thank them for their contributions and welcome the 2018-2019 incoming co-presidents Victoria Gu '19 and Winter Li '19.

With the beginning of the 2018-2019 academic term, the Heilbrunn Center for Graham & Dodd Investing welcomes the class of 2019, including: Michael Allison '19, Venkata Amarthaluru '19, Ishaan Bhatia '19, Kevin Brenes '19, Pedro Canelas '19, Steven Cao '19, Marc Chammas '19, Saite Chen '19, Lawson Curits '19, Ryan Darrohn '19, Greg Doger de Speville '19, Karen Forster '19, Patrick Griffin '19, Victoria Gu '19, Brad Headley '19, Dennis Hou '19, Jade Hu '19, Aleksandrina Ivanova '19, Asher Jacobs '19, Ricardo Korall '19, Winter Li '19, Neethling McGrath '19, James McNeill '19, David Nigri '19, Blake Peterson '19, Adi Prasad '19, Rana Pritanjali '19, Tyler Redd '19, Petter Roald '19, Gregory Roberson '19, Shengyang Shi '19, Shara Singh '19, Matthew Stevenson '19, Bruce Sun '19, Pavan Surabhi '19, Jenny Thapa '19, Viraj Vora '19, David Wei '19, John White '19, and Michael Wooten '19.



*Alumni and students mingle at the Ben Graham Meets Technology reception*

## **STUDENT SPOTLIGHT**

Congratulations to the Value Investing Program Class of 2018! We are excited to see you off to your new endeavors and to welcome the class of 2019.



*Value Investing Program Class of 2018*

## 5X5X5 STUDENT VALUE INVESTMENT FUND

*“Being involved in the 5x5x5 portfolio has been a rewarding experience given the high quality interaction with not only Tom Russo but also fellow alumni involved in the portfolio. Listening to variant and well researched perspectives on different companies and business models has helped further develop and extend the investing framework I learned while at Columbia.”*

- Nielsen Fields '17

## THE PERSHING SQUARE CHALLENGE AND PHILANTHROPY CHALLENGE

*“Being part of the Pershing Square Challenge was an absolute highlight of my first year experience at Columbia. I learned a tremendous amount from my professor, my teammates and alumni that are extremely generous and supportive towards the end of the process.”*

— Jade Hu '19

## 5X5X5 STUDENT VALUE INVESTMENT FUND

Columbia Business School's student-run value investing fund is now in its fourth year. [\*The Financial Times\*](#) recently highlighted the fund in an article on the benefit of real world experience and long term thinking for students.

The fund was created by a generous gift from Thomas Russo and his wife, Georgina. The current positions are Axalta Coating Systems (AXTA), CDK Global (CDK), Cummins (CMI), Dollar General Corp (DG), John Deere (DE), Fidelity National Financial, Inc. (FNF), Mastercard Inc. (MA), Moody's Corporation (MCO), Nike, Inc. (NKE), O'Reilly Automotive Inc. (ORLY), Qualcomm (QCOM), Rolls Royce (RR), Sabre Corp. (SABR), The Sherwin-Williams Company (SHW), and The Weir Group (WEIR). Additions to the fund this year include: CCL Industries (CCL.B), COSTCO (COST), Howden Joinery Group Plc (HWDN), JD.Com Inc. (JD, ADR), and Sysco (SYY).

## THE PERSHING SQUARE VALUE INVESTING AND PHILANTHROPY CHALLENGE

The 11th Annual Pershing Square Value Investing and Philanthropy Challenge took place on April 18, 2018 at The Paley Center for Media in New York City. Students in the Applied Security Analysis I & II classes presented short ideas to a group of well-established leaders in the industry. The competition is generously sponsored by Bill Ackman. We thank Mr. Ackman for his continuous support!

The Applied Security Analysis I & II classes are taught by Professors Rishi Renjen and Naveen Bhatia and have a consistent following with first and second year students. Professor Renjen is the founder, managing partner, and CIO of Roam Global Management, a New York based investment firm. Professor Bhatia is a principal in the Tactical Opportunities Group at Blackstone based in Los Angeles.



*Bill Ackman with first place winners Jade Hu '19, Asher Jacobs '19, and Rana Pritanjali '19 at the 11th Annual Pershing Square Value Investing and Philanthropy Challenge*

## CAREERS AND RECRUITING

The Heilbrunn Center would like to recognize our alumni and friends who participated in the 2017-2018 mentorship program advising students on pitches, interview skills, and more. In particular, we would like to highlight Value Investing Program mentors with five or more years of participation: Tripp Blum '08, Eric DeLamater '10, Joe Esposito '07, Dan Kaskawits '11, David Kessler '08, Rhett Madison, Nilesh Patel '00, August Petrillo '09, Grant Smith '12, Jeffrey Ware '08, Raymond Webb, and Ben Weiss '10. Thank you for your continued support!

If you are interested in learning more about becoming a mentor, please contact Caroline Reichert at 212.851.9558 or [cr2917@gsb.columbia.edu](mailto:cr2917@gsb.columbia.edu).

In line with past years, Columbia Business School's Value Investing Program students of the 2017-2018 class have moved into roles at top firms including: Anchor Bolt Capital, BRX Global, Coast Capital, Drum Hill Capital, Dupont Capital Management, Family Fund, Fine Capital Partners, L.P., Frontier Capital, GAMCO, Goldman Sachs, Himalaya Capital, Houlihan Lokey, HPS Investment Partners, Houlihan Lokey, Hyunh Capital, Invesco, Kennedy Lewis Investment Management LLC, KKR, Lazard, Motilal Oswal, Olyan Group, Oppenheimer Funds, Plural Absolute Return Fund, Pura Vida Investments, Sanford Bernstein, Sententia Capital Management, Soros, Spyglass, Surveyor Capital, T. Rowe Price, and Zweig-Dimenna Associates Inc.

## ALUMNI AND FRIENDS SPOTLIGHT

Alumni and friends of the Heilbrunn Center contributed greatly to the community during the 2017-2018 academic year. In addition to mentoring current students, alumni are involved with the Center speaking at events, judging stock pitches, and providing students and fellow alumni with networking and job opportunities.

### Alumni in the Regions

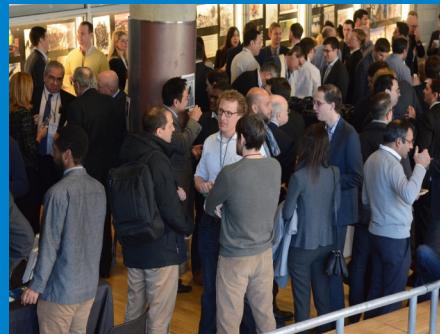
If you live in or near Greenwich, CT, or happen to be traveling through, join alumni on Thursday, September 27th for a CSIMA alumni networking event at The Old Greenwich Social Club from 6-9 p.m.

The CSIMA holiday party is held annually and provides a wonderful opportunity to celebrate the holiday season with fellow alumni and current CSIMA students. A formal invitation is coming later this fall.

If you would like to learn more about the different ways you may get involved, please contact Jennifer Aaron at: [ja2409@gsb.columbia.edu](mailto:ja2409@gsb.columbia.edu). Connect with us via The Heilbrunn Center for Graham & Dodd on [LinkedIn](#).

## ALUMNI AND FRIENDS SPOTLIGHT

Alumni and friends are connected to the Heilbrunn Center in New York and beyond.



*Alumni and friends networking during the 21st Annual CSIMA Conference*



*Alumni and friends exchange ideas at the 11th Annual Pershing Square Value Investing and Philanthropy Challenge*

## UPCOMING EVENTS



*Alumni and friends discussing the expert insights shared at the 21st Annual CSIMA Conference*



*Alumni and friends reconnecting at the 27th Annual Graham & Dodd Breakfast*

### **Value Investing Program Welcome Reception**

Friday, September 7, 2018  
New York

### **Women in Investing (WIN) Conference**

Thursday, November 15-Friday,  
November 16, 2018  
Boston

### **Westchester and Connecticut CSIMA Alumni Networking Event**

Thursday, September 27, 2018  
The Old Greenwich Social Club  
Old Greenwich, Connecticut

### **22nd Annual CSIMA Conference**

Friday, February 15, 2019  
New York

### **Mastering the Market Cycle: Getting the Odds on Your Side**

A talk with Howard Marks  
Thursday, October 4, 2018  
New York

### **The 12th Annual Pershing Square Challenge**

April 2019  
New York

### **28th Annual Graham & Dodd Breakfast**

Friday, October 19, 2018  
New York

### **“From Graham to Buffett and Beyond” Omaha Dinner**

Friday, May 3, 2019  
Omaha, Nebraska

### **4th Annual CSIMA Stock Pitch Competition**

Friday, November 2, 2018  
New York

Learn more about getting [involved](#) and our upcoming [events](#) at [www.grahamanddodd.com](http://www.grahamanddodd.com).