

2020-2021 Annual Letter

The 2019-2020 academic year brought uncertainty and opportunity as the Heilbrunn Center transitioned to an online format during the spring 2020 semester. The top priorities for the Center during that time included creating a seamless classroom experience for students in our 16 spring classes; continuing to connect students with practitioners and provide experiential learning and networking opportunities and; capitalizing on the expansive nature of online formats to feature the Heilbrunn Center's content broadly. A huge thank you goes to our adjunct faculty members, alumni and industry supporters for making this transition successful and robust for the MBA students! We look forward to the new academic year ahead and another successful experience.



Center Overview

Welcome to the Value Investing Program Class of 2021!

Though the fall semester will look different than past years, the Heilbrunn Center is thrilled to welcome the new class of Value Investing Program students. Each year after a rigorous application process, forty second-year MBA students are admitted to the Program where they complete a set of 6 courses including: *Value Investing*, *Applied Value Investing*, *Special Situations and Value Investing*, *Economics of Strategic Behavior*, *Distressed Value Investing*, and *Value Investing with Legends*. The semester began on August 31 with Tano Santos teaching *Value Investing* as a virtual block week for the forty students in the Program.

Elective classes for the fall 2020 semester, including those under the Heilbrunn Center umbrella, will be a combination of fully online and Hyflex. The Center has been working hard to create both in-person and online engagement opportunities for students in the Program including a virtual breakfast series with Faculty Director Tano Santos, outdoor meet-ups for small groups of students, virtual career panels and other talks, and both in-person and virtual advising sessions.

Besides access to world-class practitioners who teach the Value Investing Program courses and access to special programming, the Center also maintains a resume book for students in the Program that is sent to employers upon request. If you are interested in posting a full-time or internship position please contact Meredith Trivedi, Managing Director, Heilbrunn Center at mpm2157@gsb.columbia.edu.

To see the full class list and students' LinkedIn profiles visit [here](#). We are pleased to report that women make up 25% of the Value Investing Program Class of 2021. The Center launched a formal Women's Initiative in 2018 with the goal of increasing the number of women in the Value Investing Program and the pipeline of investment management overall and we are seeing progress through that initiative.

First Annual Roger Murray Lecture Series and Other Past Events

The Heilbrunn Center recently hosted the First Annual Roger Murray Lecture Series, a conversation between Bruce Greenwald, Robert Heilbrunn Professor Emeritus of Asset Management and Tano Santos, David L. and Elsie M. Dodd Professor of Finance; Faculty Director of the Heilbrunn Center to launch the 2020-2021 academic year. For those who were unable to view the conversation live, a recording can be found [here](#).

The Center was also pleased to record the 13th Annual Pershing Square Challenge in April 2020. Bill Ackman, founder and CEO of Pershing Square Capital Management L.P., launched the Challenge in 2008. The event is open to students who are enrolled in Applied Security Analysis.

After an initial round of eliminations, five final teams present at the Pershing Square Finals event, hosted by Bill Ackman. A panel of judges then selects the winning teams, which receive a financial prize from Pershing Square. To view the recording of this year's event and student presentations visit [here](#).

Though we have been disappointed not to see our alumni and friends in person over the last several months, hosting events online has allowed the Center to tape much of our content. To see a full list of recent video presentations, visit [here](#).

Update on the 5x5x5 Russo Student Investment Fund



The Heilbrunn Center is pleased to report the selections for the 2020 vintage of the 5x5x5 Russo Student Investment Fund including [AON](#) (Freda Zhuo '20), [CTAS](#) (Tanya Kostrinsky '20), [NUAN](#) (James Shen '20), [OTIS](#) (Stephanie Moroney '20), and [PYPL](#) (Rodolfo Zeidler '20).

The idea for a student fund where a limited number of stocks are held for a long time, reflecting the value investing tradition was that of Thomas Russo, partner at Gardner Russo & Gardner and manager of the Semper Vic investment partnership. Russo explained in an interview in 2015, that “Students ought to have an opportunity to learn more from student investment funds and from the grim review of the shortfalls of most funds that are in practice today. ‘5x5x5’ simply means to have five investments, with no more than five articulated reasons for each investment and then hold those investments for five years.” With 5x5x5, after five years there will be 25 investments in the portfolio, “so there will be plenty of occasions to learn important lessons from those investments over time.” At the end of five years, the original amount, accounting for inflation, will be invested back into the 5x5x5 Fund and the remainder of any gains will be used to support current-use scholarships for students interested in investment management.

With the structure of the Fund, 2020 was the first year that the Center needed to sell a vintage--2015 which included CDK (Brian Waterhouse '15), CMI (Mallory Downing '15), DE (Patrick Enriquez Fischer '15), QCOM (Richard Taddonio '15), and WEIR (Oystein Kvaerner '15) -- in order to fund the 2020 purchases. In addition to allowing for the original \$250,000 plus inflation to go back into the portfolio, gains from the 2015 vintage will also provide nearly \$30,000 in financial aid.

Value Investing with Legends Podcast

We are excited to launch a new season of the Value Investing with Legends podcast on September 4! Hosted by Tano Santos, the David L. and Elsie M. Dodd Professor of Finance and faculty director of the

Heilbrunn Center, in this podcast you will hear from some of the world's greatest investors, their views on the investment management industry, how they developed their investment process and how they see the field changing over time.

Be sure to subscribe on Apple, Google, Spotify, or wherever you get your podcasts. Drop us a line at valueinvesting@gsb.columbia.edu. To hear past episodes, visit valueinvestingwithlegends.com.

Get Involved!



The Heilbrunn Center is always looking for opportunities to bridge theory and practice, create experiential learning opportunities for students and make connections between students, faculty, and practitioners. There are many ways to be involved with the Center including serving as a mentor for students in the Value Investing Program; providing mock interview sessions and reviewing pitches for interview preparation; hosting modeling office hours; speaking to students for the CSIMA career series; serving as a judge for the Investment Ideas Club and other stock pitch events among other opportunities. If you are interested in being more involved with the Center please contact Meredith Trivedi at mpm2157@gsb.columbia.edu.

Upcoming Events

We hope to catch you at a future event! See below for the full list of what we have planned.

The Graham & Dodd Breakfast featuring Jeffrey Smith, Starboard Value, Friday, October 23, 2020

CSIMA Stock Pitch Competition, Thursday, November 5 & Friday, November 6, 2020

Women's Career Panel, Thursday, November 12, 2020

"From Graham to Buffett and Beyond" 2nd edition book talk with Bruce Greenwald and Judd Kahn, Thursday, November 12, 2020

Neuberger Berman ESG Investing Challenge, Wednesday, November 18, 2020

Artisan International Value Stock Pitch Challenge, January 2021

24th Annual CSIMA Conference, Thursday, February 4 and Friday, February 5, 2021

Women in Investment Management Networking Breakfast, March 2021

Value Investing Program Career Workshop, March 2021

The Pershing Square Challenge, April 2021

“From Graham to Buffett and Beyond” Omaha Panel, Friday, April 30, 2021