

IronHorse Makes New Hire, Launches Mutual Fund



Photo: Andrew J. Breig

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Memphis-based investment firm IronHorse Capital Management has hired a managing director for national sales, a new hire that comes at the same time as the firm has launched its first mutual fund product.

John Daly started April 1 at IronHorse, a firm founded by David Waddell, Kerr Tigrett and Chad Cunningham in 2009.

"I wanted to join IronHorse out of an interest in the product and the people involved," said Daly, whose role includes national distribution and sales of the firm's mutual fund offerings. "I'll be moving that product out into the marketplace and doing what we can to expand it."

His background has been across the investment sales landscape, and he's worked with mutual funds, alternative investments, private placements and more.

Daly previously has worked with firms like Alliance Capital, Lockwood Advisors and Franklin Square Capital Partners. At IronHorse, he joins Cunningham, the firm's chief investment officer; Waddell, the firm's chairman and investment committee member; and Tigrett, president and chief compliance officer.

Tigrett said, of Daly, "We're proud to add someone of such high caliber and depth of sale experience as John. (He's) a key

addition to the team as we begin to build out our firm."

That growth includes the launch of the mutual fund, called the Conductor Global Fund. Cunningham is serving as portfolio manager, and Waddell serves as an investment committee member for the fund, which is an open-end mutual fund focusing on long-term capital appreciation.

The fund will invest in global companies, including those based in the U.S.

According to IronHorse, the new fund's investment committee will use a "proprietary fundamentals-based quantitative factor model" to build a portfolio of mostly mid- to large-cap global companies "trading at discounts to intrinsic value."

The fund's strategy is identical to the IronHorse Global Core separately managed account strategy, which has been managed by Cunningham and the investment committee since December 2009.

"A really great investment philosophy usually leads to a great process and how you execute that philosophy onto a portfolio," Daly said. "The key part is the people you bring in. So, there's the P's - philosophy, process and people equals performance. At the end of the day, if you look at an investment, the short-term numbers should be completely irrelevant, because if you've got those three things in place, it's going to work over time. It's just that simple."

Tigrett said the fund - launched in December - already includes about \$32 million worth of assets.

"We've maintained our team of three, and now John is our first addition, and he's got some pretty good ideas to build the team out quickly," Tigrett said. "We're looking to grow the fund assets. We've had a nice track record so far, and we hope to continue performing well."

A recent market commentary from IronHorse gives some insight into how the firm communicates its market assessments and how it views the market and economy at the moment.

"Growth and momentum strategies are perfectly valid ways to approach the investment universe," IronHorse notes. "We happen to prefer the value side over the long run; there are plenty of professional and individual investors, however, that know the growth markets inside and out and have generated very successful long-term track records navigating the space."

"In value, the big risk oftentimes is getting into names too early and having them move against you, or buying the dreaded 'value trap' ... In any case, we know that over the long-run, regression to the mean exists, companies' growth prospects ultimately return to a normal trajectory, and that valuation multiples tend to compress back to more pedestrian levels."