

Weiss, Stephen - The Big Win

John Wiley & Sons, 2012, [Equity Investing] Grade ★★☆☆

In his first book, *The Billion Dollar Mistake*, the author, public speaker and investor Stephen L. Weiss wrote about the biggest mistakes of some of the world's legendary investors. This previous book described events where they lost billions of dollars on a single investment. That was something unique in the context of interviewing and describing great investors. The author is well equipped for the task. He is a veteran of more than 25 years on Wall Street where he in addition to co-founding a hedge fund, has held senior management positions at Salomon Brothers, SAC Capital and Lehman Brothers.

On the other hand *The Big Win* covers a more conventional topic, how to learn from the successes of others and the stated goal is to show how the reader can do the same. Writing another interview book requires something extra and in a few cases Weiss takes the interviews to detailed case study-level as well as gives a more detailed look at the processes of the investors, which I applaud.

The book features seven men and one woman and the author's intent has been to find a diverse crowd. He succeeded in that but the usefulness of each chapter varies a lot. Weiss adds nothing incrementally new in talking to Jim Rogers and Martin Whitman since they have written several good books themselves. Then there are two profiles of investors who made a fortune in real estate - interesting in itself but not very useful. The remaining four chapters, which actually are the first four, range from okay to really good.

The first chapter is about Renée Haugerud who has founded her own hedge fund, Galtere, which has a great track record. It's a very fine chapter that describes her investment process, and her risk management as detailed as you can do in a few pages. The fact that she is one of the few

successful female portfolio managers and founders of a hedge fund is notable and the author even includes four pages of his own on that subject. Mr. Weiss' own children are daughters and he admits that he never paid attention to the lack of women in the industry until they were born.

The following chapter covers Mr. Jim Chanos of Kynikos Associates and that was *the* reason I bought this book. I am always eager to learn from him since there is a shortage of really successful short sellers over time. However, you can actually find more or less all insights in the interview if you just Google Mr. Chanos. Nothing extra is added which is quite disappointing. I'm looking forward to a book about famous short-sellers by Richard Teitelbaum that will be published in mid 2014. Next chapter describes Lee Ainslie at Maverick. He has featured in other books but this is in fact the best description so far. The chapter treats both his process and continues with a detailed example.

Finally, the fourth chapter features Chuck Royce of Royce & Associates, a legend whom I haven't run into before. He had a very rough start in his investment career. His fund in 1973 was down 40 percent and 1974 it was down 40 percent again and the board was really close to closing down the fund due to bad performance. At the same time he had just started a family and the only paycheck he got was for a column he wrote in a business magazine. Subsequently, both the market and the fund turned around in 1975. The rest is history.

Had Weiss pursued with more descriptions of processes and more case studies, then this interview book would have received a much better grade. However, disappointingly with regards to my high expectations, this is another well written, easy to read book on successful investors but since I have read quite a few of these, I am after something that is new. This is not.

Bo Börtemark, January 16, 2014