



MoneyShow Keynote Lecture

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My topic is Alternative Investments. Private equity and real estate are my preferred investment categories. They are rich veins of ore for the right investors, but they are no place for tourists.

You can register to attend the virtual MoneyShow Expo on Zoom for no charge by clicking on the following link. I hope you can be there. I will post a link to the video on my substack blog after the event.

Summary

- ◆ Alternative Assets are not a thing. It is a term someone made up to describe the “other” things you can own besides stocks, bonds, and money market funds. “Other” is not an investment strategy.
- ◆ I own stocks and bonds but in my DNA I’m a private equity guy and a real estate guy. I have been investing in private equity (PE) and real estate (RE), both as a General Partner and, in select cases, a Limited Partner, for more than 40 years. For people like me who like to fix things and grow things there is no better work.

- ◆ A better description would be either “private markets” or “illiquid investments”. My friends in the intelligence community would describe passive stock and bond investing as “surveillance.” They would call investing in private, illiquid assets “wet work.” You have to get your hands dirty, but it is much more rewarding.
- ◆ When you invest in private markets, you are on your own. You leave behind the luxury of publicly available information and the stamp of approval from the SEC or a trustworthy auditor.
- ◆ When you sign up to invest in illiquid assets, you can’t change your mind and get off the boat halfway through the cruise. You own the whole thing. You are in for the whole ride. So, if you are not absolutely sure you trust the captain (the General Partner) don't get on the boat.
- ◆ Even with these challenges, PE and RE investing offer opportunities to earn attractive returns while enjoying the privilege of being part of building great businesses.
- ◆ In this talk, I will review the strategies that the great PE and RE investors have used to find, acquire, build, and grow world-class companies. And I will talk about how you can use these ideas yourself to do the same work with the small and mid-sized companies in your own local market.