

Cook Pine explores overseas for growth

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When it came time to choose a name for his hedge fund investment advisory firm in Greenwich, Eiichiro Kuwana looked to nature for symbolic sturdiness and strength.

The Cook pine tree, brought to Hawaii in 1774 by British explorer James Cook, is known for its predictable straight growth to heights as tall as 160 feet, while withstanding a harsh environment.

Now, Kuwana is looking for his Cook Pine Capital to grow further and straighter by expanding its client base closer to home.

With fewer than 20 clients currently investing about \$24 million each, Kuwana, a native of Japan who founded the Greenwich firm in 2005 with his wife Yumi Mera Kuwana, has hired a new principal to assist in growing the business within the United States.

"About 75 percent of our assets are currently outside the U.S.," Eiichiro Kuwana said. "We'd like to leverage what we have built to grow our business domestically."

To help with the effort, Cook Pine has hired Scott Baker as its principal. Baker and Eiichiro Kuwana met years ago when both were at Goldman Sachs. Baker was Goldman's head of wealth management strategic planning and, most recently, was at Citigroup Inc. as a managing director in the bank's global wealth management division.

"I lost my passion at the large investment banks, and I was looking to do something locally with a niche investment firm," Baker said. "What better place to do that than here in Greenwich?"

Because of the wealth of financial experience the Kuwanas had before forming Cook Pine, they were able to build their Greenwich firm internationally, especially in Asia.

Throughout his 12 years at Goldman, Eiichiro Kuwana worked closely with wealthy families around the globe, assisting them with investments. He held senior level positions at Goldman in the New York and Asian divisions.

Cook Pine has prospered because of the attention they pay to their clients, and to the hedge funds and managers in which they invest, according to Eiichiro Kuwana and Baker.

Their goal is to only take on two to four clients each year. Those clients have to have a "long-term focus to be our partners," Eiichiro Kuwana said.

The firm not only researches the fundamentals for the hedge funds in which they invest, but "also looks into the judgment and discipline of the management teams over their careers," he said. "We get to know the management personally before making an investment. They also need to exhibit the ability to weather economic cycles, both good and bad. Performing well in a bull market doesn't show us a lot."

Cook Pine prides itself on never having "a client withdrawal since we've been in business," Baker said.

The current economic slowdown could be a big test for Cook Pine and the hedge funds it invests in, industry observers said.

With many indices showing a decline in returns for hedge funds in January and March, there is evidence that some high-net-worth investors, such as the ones Cook Pine is courting, are looking to pull some of their money, said Daniel Celeghin, a director with Darien-based consulting firm Casey, Quirk & Acito, which advises clients on hedge fund investments.

Some high-net-worth investors "are taking a breather or a timeout from hedge funds," Celeghin said. "But performance sells. At the end of the day, any firm that has a strong track record will get the most attention."