Seth Brennan (Lincoln Peak Capital) – Partnership, Autonomy, Alignment

Tom Yeowart: Seth, welcome to the podcast.

Seth Brennan: Thank you for having me.

Tom Yeowart: So, I believe your career is now 30 years plus, and you obviously founded Lincoln Peak in 2008. I'd love to hear about how your career evolved prior to Lincoln Peak?

Seth Brennan: Sure, it was obviously carefully designed at the beginning and executed according to plan. I guess if I think back to more than 30 years, I really got interested in finance in college. I was a history major and decided to take an accounting class that was led by a sort of curmudgeonly but legendary professor. And I was not so much interested in accounting but really interested in taking that class with him. And the section on corporate finance really grabbed me and made me think a little bit about how I get involved, and this was in the late eighties, early nineties, and there had been this big merger boom and buyout boom.

And I started reading the books like Barbarians at the Gate and that whole genre. And it was very intriguing to me, but as a history major, it was not necessarily the resume that was sought after on Wall Street at the time. And so, I sent a number of resumes out as a college senior. I got one interview with Wasserstein Perella in New York, which was a small boutique investment bank that focused on mergers and acquisitions. And they offered me a position initially in equity research. So, my first six months on Wall Street was researching insurance companies and helping edit and write and staple and mail research reports for a senior analyst.

And then an opening came up on the investment banking team that focused on FIG, and they offered me that position and got into M&A for insurers and money managers. And one of my first deals that I got to work on was an asset management transaction. And I was really fascinated by the industry.

Tom Yeowart: And is that how you came to join Affiliated Managers Group?

Seth Brennan: I was working on a transaction for one of our clients selling an asset management firm. And the private equity firm that ultimately put the capital behind AMG was bidding on that company. And so, they were developing the business plan with Bill Nutt, who was the founder and looking for somebody of my skillset and experience and so they offered me the job to move from New York up to Boston to sort of help build out the management team and get AMG off the ground.

Tom Yeowart: I'd love to learn a bit more about AMG. For those who don't know, AMG buys a lot of boutique asset managers. In the UK, it would be companies like Artemis, Veritas, Genesis, Winton. In the US, I guess one of the more famous ones is Tweedy Browne. But I'd love to learn a bit about the lessons you took from being at AMG, seeing the way they approached it and how that informed what you are doing at Lincoln Peak.

Seth Brennan: I was at AMG for 12 years from the mid-nineties through just before the financial crisis in 2008. And there were a number of lessons obviously in terms of building a business. Some of the larger takeaways that I had is, we had an innovation on how to invest in and partner with boutique asset management firms. We didn't invent the idea. That was really Norton Reamer at United Asset Management, who had been the head of Putnam and realised that there's a lot of opportunity to help transition boutique firms across generations so that they ultimately didn't just either go out of business or get sold to a bank.

And so, he founded United Asset Management in the mid-to-late eighties which was a multi boutique firm company that was buying a hundred percent of asset managers but leaving them alone to manage their day-to-day affairs. He realised that fund managers really need autonomy in order to practice their craft successfully.

The innovation we had at AMG was that incentives really matter. And so, when United Asset Management bought a hundred percent of a firm it presented some challenges for them in terms of retention and long-term alignment with the clients and with the owners of the firm.

From a 30,000-foot perspective, the asset management industry has lots of different ownership structures, lots of different types of participants. But I think the most successful firms are boutique firms where management owns their business. And so, what we were trying to do is offer a solution like United Asset Management but get the incentives right and make sure that management owned a significant piece of their business. The challenge inherent in our structure at AMG though was that as a public company we needed to own a majority of our firms we were investing in, otherwise we'd run afoul of investment company rules in the US and become a mutual fund ourselves.

And so incentives matter in that you need to have retained equity, but over time one of the things that I was noticing is that there were plenty of businesses out there that didn't want to have a majority owner or if they had a majority owner, over time, as individuals cycled out, it got harder and harder to refresh those incentives for the next generation. Ultimately, like those two factors were what led me to think about leaving and starting something different, which was again evolutionary, but really taking it a step further and looking to address what's an inevitable issue for asset managers, which is succession and the need to continue to offer opportunity and incentives to the next generation. But do it in a way and from a platform that's differently structured than a public multi boutique.

Sebastian Lyon: Seth, have you always had a sort of entrepreneurial bent? Was there always a desire to set up on your own and create your own business?

Seth Brennan: I think the short answer is no. I don't think of myself as an entrepreneur. And fortunately, I have a great co-founder and business partner in Tony Leness who started Lincoln Peak with me 17 years ago now. He's much more entrepreneurial than I am. I think of myself as someone who, this idea of this solution kind of hit over the head a couple of times and suddenly I noticed that, wait a minute, I'm losing from my old platform investment opportunities that I really wanted to make.

The market was telling me something that our solution at AMG was appropriate for certain businesses, but there were some really attractive businesses that we weren't able to provide a solution for. And so, it was more the idea and the solution, than a desire to build a new business. Even though I would say building businesses, it is exhilarating. I think it's a little bit like a rollercoaster exhilarating. There are times when you're feeling great and then there are times when you're in sheer terror and then at the end you look back and you say, that was really fun.

Sebastian Lyon: Talking of a rollercoaster, I mean, starting a business like yours in 2008, when the rollercoaster was heading downhill very quickly. Say a little bit about that timing, I mean, to some extent actually starting a business at or near the bottom of a cycle is exactly when one should start a business.

Seth Brennan: In hindsight it was the ideal time to start a business. At the time we had signed a lease in early September 2008, we were busy working on our business plans and starting to talk to both investors and firms that we might be interested in potentially working with. Then Lehman Brothers blew up and the markets got quite interesting for a while. But I'd say we were fortunate in that it gave us a great opportunity to refine what it was we were trying to offer the marketplace. It gave us a great opportunity to find the right investor base. In early 2008, there was capital everywhere, there were all types of ways that we could consider funding our business. That moment in time where the capital markets froze up really gave us an opportunity to sit back and think about not just where we wanted to deploy capital, but how we wanted to fund our business.

Ultimately that led us to the conclusion that, we are offering a very long term, potentially multi-generational solution to our partner firms. We needed an investor base that matches that. And that led us to high-net-worth individuals, family offices, insurance companies who are themselves, multi-generational entities and operated by people with that time horizon rather than agents who are necessarily focused on shorter term factors.

And then coming out of the financial crisis, we were fortunate that we weren't dealing with a bunch of problem investments that we had made just before. And also, we were one of the only participants out there looking to make investments. And so, it gave us a lot of opportunity to get out and look at and start meeting with management teams.

Sebastian Lyon: So, Seth in terms of your end investors, one of the things that attracted Troy to Lincoln Peak was the fact that there weren't these time limits on your investments. That your investors had a very long-time horizon. That there weren't the usual private equity structures of dates of funds and exits. Can you say a little bit more about the breadth of your investor base, why that's so special, why that's so attractive to companies like Troy?

Seth Brennan: The important thing about providing a partnership solution to firms that are looking to address some kind of succession or ownership transition need is that you can really offer alignment up and down your structure and their structure. And so, if you don't have an investor base or a capital source yourself that can match the commitments, you're making that's just an unstable situation.

And so, we really thought it was important to match our investor base and our structure to the commitments that we're making to our partner firms, which are potentially multi-generational. And so, as we thought about the best way to do that, we realized public company has a different set of incentives, traditional private equity funds have a defined term where you have to deliver a return within a short period of time. And effectively you're looking for the biggest capital gain on the exit. And for human capital businesses like asset managers to be bought and sold and managed for a relatively short period of time for maximizing return, that can be a little bit destabilizing.

And so, what we found was investors who are families, ultra-high net worth individuals and insurance companies have the time horizon, which matches the commitments we're making to our partner firms to be a stable long-term component of their ownership group. And so, when we launched Lincoln Peak, the premise of, please investors give us your money we aren't going to tell you when we're going to give it back to you. It was a little bit challenging and so we capitalized our first several investments in single purpose vehicles where we could develop a transaction, provide a solution to a partner firm, and at the same time assemble the investor group that was going to be able to at least look at the opportunity and say, okay, I'm going to trust you Lincoln Peak, but at least I know what you're doing, where that money's going.

And so, for the first eight or nine years of our business, we made our investments through single purpose vehicles and fortunately delivered for our investors but also proved the solution for our partner firms as well. And over time that investor group grew, and it had been part of our plan to ultimately create a permanent capital vehicle or an evergreen vehicle, where we would hold all of our partner firms' investments together. And so, seven years ago we started that process. And then we've made all of our investments since through that vehicle.

It provides a great platform for us to be able to help our partner firms not just solve the catalyst that initially caused them to want to have a transaction, whether it's liquidity or succession but then also serve as a constructive long-term partner. We can buy more of a firm over time, if that's useful to help succession. We can sell down equity to the next generation over time, if that's useful. And then we can invest alongside our partner firms in initiatives that they are seeking to do to develop their business. So, it provides a great platform for us to be that partner.

And then for our families and insurance companies who are participating, we're investing in profitable businesses. They do distribute cash flow and so they get a nice long term cash on cash participation, which is a good trade for them in terms of the uncertainty of when capital will be returned, but certainly that they're going to participate in the growth and profitability of our partner firms during the time that we hold them, which could be 10, 15, 20 years or more for each investment.

Tom Yeowart: Taking a step back, Seth, Lincoln Peak's clearly been going for 17 years, but what do you think the future holds in terms of your ambitions, Tony's ambitions, for Lincoln Peak? What does long-term success look like from here?

Seth Brennan: Tom, we ask that question of ourselves all the time. So, I think from the outset and even to today, our goal was not to be the largest asset management investor or the most prolific asset management investor. Our goal instead was to try and provide a solution that was effective and durable. And not be defined by the number or size of the transactions we do but really be defined by the quality of the firms that we invest in and the quality of the outcomes that we're providing.

And so obviously we want to provide a great opportunity for our management team and our employees. We want our investors to be successful and to deliver on our commitments to them. But what we think is really going to underpin that is if we can look at the success that we have with our partner firms in not just solving the initial puzzle that led them to seek a transaction in the first place. But also, be that patient long-term component of their ownership group where we've helped them continue to cycle equity through generations, remain independent, deliver on their promises to their investors and really have that occur across generations of our partner firms.

And if we look back over our history, we've now been partners with some firms for almost 15 years and we're well along the way of delivering on that with them. And so, that's really what we think about. And I think if we can continue to execute on that, we'll do fine for our investors and for our employees and make good on our promise to our partner firms.

Sebastian Lyon: In terms of those partner firms, so I think you've done something like 12 or 13 transactions in total in terms of minority states in businesses. I think there have been 11, 12 maybe in the United States, two in the UK now, including Troy. You've only I think, had one exit. Two, two exits. Perhaps you can give a little flavour as to why those exits evolve. Whether they're led by you or whether they're led by the partners.

Seth Brennan: They are definitely led by the partners of those businesses. One of the other things that we've observed over time, even before the Lincoln Peak years is the real owners of asset management businesses are, irrespective of what the Capital Table shows are the people who generate the investment performance and have the client relationships and are focused on those. And so, to some extent, control is an oxymoron in this business. And we never would want to be in a position where we're coming to our management partners and telling them that you need to sell yourself. We just don't think that that's a great outcome, particularly if that's not what they want to do.

And so we go into each investment with the expectation that this is going to be indefinite and, if, however, they decide that they want to go in a different direction, whether it's a strategic need or they haven't developed succession in a way that they think is sustainable or whatever it is that they've decided is important to them in seeking a change. We never want to stand in the way of that. We're very partnership oriented. In the two instances where we have had exits, we've just said, okay, how do we help? In one case one of our partner firms wanted to pull our equity position back in and allocate it to the next generation. And that's fine. And in another case, the partner firm really wanted more distribution, particularly for retail mutual fund products. And so, they tied up with a multi boutique, and we helped them run that process and find the right partner and structured the deal and it's worked out well for them.

And so, we're hoping that our investments will be multi-generational, but we're realistic that circumstances change both for businesses and for people who run them. But in large part, I think people choose us as a partner because the base case is they want to stay independent; they want to maintain their culture and autonomy. They want to pass the incentives in the firm down to the next generation because they deeply believe that that's the best way to deliver results for their clients. And if that's not their orientation, we're probably not the right partner for them.

Tom Yeowart: Going back to your partner firms and what you were saying about potentially investing indefinitely in some. Can you just talk about that in the context of how that informs the way you do your due diligence, making sure you are going on plenty of dates before deciding to marry someone. What does that look like? How do you get comfort in the firms you want to partner with?

Seth Brennan: You're right, we do go on a lot of dates before we ultimately decide to get married if we're going to sort of torture the analogy a little bit. But I kind of break due diligence into two parts. One is the part that you do after you've decided to make an investment and that's important but usually fairly routine. I think the most important part is getting to know the management team and understand what their motivations are. Certainly, you want to understand if they're good investors and if they're good businesspeople, and if they check the boxes in terms of how they run the firm and their business plans.

But we really want to understand the culture of a business and it's a human capital business. There are all kinds of personalities in the investment industry. And I mean that with lots of respect. Some of the most successful investors, may be some of the quirkier personalities that you meet. And part of that's what makes them successful is that they have the conviction of their beliefs and usually some unique insight into how to generate returns. And so, we really want to understand what makes people tick, what's important to them. And for our model to be successful, management teams have to really, really care about the alignment between themselves and their clients and the outcomes they're trying to deliver.

That's usually the most important thing to them. And then they care next about how we create a firm and a culture that's going to be a successful and rewarding place for our employees. And usually that involves not just how they run it from a day-to-day basis, but also how they compensate and how they retain and incentivise people and provide opportunity. So, opportunity can happen through growth and opportunity can happen through progression of responsibility, but that they're thoughtful about it. Again, it's a human capital business and so if you're trying to deliver these outcomes for your clients, you really need to have a strong, multi-generational team that's really all pulling in the same direction.

And then finally, they're looking to address some kind of need within the capital structure. Usually, it's an outside owner who isn't contributing as much as they did before or needs liquidity for some other reason. Or you have older people who do less and own more, and younger people who do more and own less. And that tension is unsustainable over time. But whatever the catalyst is, they approach that catalyst and the solution through the lens of what's going to be right for my investors, what's going to be right for my employees. And they're not indifferent to their shareholders' interests. They want them to be treated fairly, but price is not usually the most important consideration for the firms that we want to invest in.

And so, we will call on a firm for years. I think we started calling on Troy six or seven years before we ultimately made an investment, and that's a great opportunity to meet the management team. Have a number of conversations. Understand what's changed between and what their goals are. And so, when you get to the point when you're evaluating a transaction, you really understand what's important to them and what motivates them. I mean, we also have the benefit of a solution, which is a bit self-selecting. And so, we try and find great businesses like Troy. We have databases. We think of ourselves a little bit as sports fans of the industry. We're trying to figure out who's growing, who's got good performance. We can see if there's an ownership potential solution coming down the road where there's an outside owner or they're a hundred percent owned or retired partner.

So, we will look at them from the outside, but it's really the conversations that we have before we even get to a transaction. And then as we structure the transaction and we talk about how to develop a solution that's instructive as well, because you start to see like what's important to the management team and if they really care about the long term rather than a short-term outcome.

Sebastian Lyon: Seth, you emphasize the importance of autonomy. But what are the main ways Lincoln Peak can guide and add value to partner firms without taking too firm a touch?

Seth Brennan: Autonomy is fundamental to delivering successful outcomes over time in the asset management business. And there's an interesting tension because you need to have a certain amount of scale in this industry to succeed. And that becomes a slightly higher bar over time for investors to have faith in your business and to want to allocate.

But at the same time, scale is a little bit of the enemy of performance in this industry as well, whether it's finding alpha with larger and larger pools of capital, or in terms of how businesses are run. The larger your business becomes, sometimes the more bureaucratic it can become if you don't have the right ownership structure, and you have pressures that are driven by the objectives of the organization instead of by the solutions that you're trying to offer your investors. Whether it's growth, whether it's proliferation of products, whether it's internal meetings that go on for a long period of time within a large organization, it distracts from the core mission of delivering performance for your investors.

We think the boutique firm model is the ideal platform for talented investors to deliver on their promises and their solutions. And the last thing we want to do is undermine that as a participant in the capital structure of our partner firms by being too involved or trying to be too prescriptive in how they should run their business. The most important thing is really alignment. And so that's internally alignment as among generations of the firm. They have a common purpose; they have a great culture. They know what they're there for, and then they also have the right incentives, including ownership for key contributors throughout the firm. And then as an investor, we want to participate alongside our partner firms where they have the lion's share of the economics.

And so that's, instead of having control rights or instead of sitting down and saying this is what we think you should do, our philosophy is to sit down and say how can we help? And really to treat our partner firms as if they're our customers and our clients rather than as an ownership position that gives us an opportunity to be heard. We really don't want to be too involved, but we also want to jump in with both feet if we're asked to help.

And so, the number one function that we are engaging with all of our partner firms is helping them continue their succession and incentive plans. We're I think as expert in that as we are in any other attribute of the business. But then in terms of other components of the business we'll help with product development, with marketing, with business issues, with technology issues. We don't provide a centralised solution, but we are a clearinghouse of a lot of knowledge in those different cases and where we don't know, we know how to find somebody who does.

And so, we will act as almost like an external consultant that's on call. We don't charge for it. And that way it's very easy for our partner firms to say, thanks, that was really interesting, we'll take your advice. Or, thanks, that was really interesting, we have a different idea and we're happy with either outcome.

Sebastian Lyon: One of the things you've done recently, I think, is that you've got your partnerships to come together. Whether it be COOs, business development people, the senior people within each organization, get them together, compare notes, compare war stories. But that's very complementary. They're not competing with one another. They're peers effectively. Can you say a little bit about how that's evolved?

Seth Brennan: We just had our second partner round table two months ago. It is very consistent with our philosophy that we want to be helpful but not prescriptive. And so, we will bring together business unit leaders. And we really want it to be a relevant and helpful forum for them on certain business topics. Our first one a year ago was on marketing and distribution. And we surveyed the business leaders from our partner firms in those units of what would be interesting to them. And then we brought in some speakers, and we had some internal moderators. Our firms really found it useful to be able to compare what they're seeing, the challenges, war stories, successes. Really as, as you said, Sebastian, not as competitors, but really as people who are trying to deliver a good result for their firm, a good result for their clients. And wrestling with the same sort of issues.

I think what's even more interesting is the relationships that have developed in that I know that business unit leaders from different partner firms now pick up the phone and call each other and ask questions or look for advice or think about ways that they could help one another informally. And that's another byproduct of building those relationships and kind of creating that platform.

Tom Yeowart: Asset management businesses are obviously great businesses when assets are growing and when assets are shrinking, there can be a whole range of different issues from human capital issues to cultural issues. I'm intrigued how you help keep a long-term focus in those environments that have helped support the cultures of your partner firms but also avoid the temptation to intervene. Because as a large shareholder, you must have over the last 20 years or so, seen things going wrong and want to take a more interventionist approach. But how do you stay true to the principles whilst also helping guide?

Seth Brennan: The asset management business is cyclical and different investment styles do well or not as well in different market environments. And so inevitably there are going to be periods of success and challenge. We do look to invest in businesses that are durable that have a track record of succeeding through long cycles, even though there are times they're in and out of favour, and a client base that understands what they've been offered in terms of the investment solution. And so, they expect certain things even when it feels like it's not going up, it's doing what it should do in that environment.

If a business has that as its sort of fundamental characteristics, it's well suited to outlast growth and contraction cycles. And then if it has a culture which is focused on the long term. And I keep coming back to equity ownership as an important component of incentives for the long term for management teams rather than short term incentive programs like performance fees or big bonuses, but no long-term alignment. That's less sustainable when a firm inevitably hits a patch where things aren't always going right. And so that's obviously, we think the glue that keeps businesses together and aligns the management team with their client's outcomes and with our outcomes as a minority partner.

Beyond that, there aren't a ton of levers to pull that we think would be successful as an outside partner to go to a management team that they're doing what they think they should do. They have every incentive to do the right thing. And they have more skin in the game than you do. And so, showing up and saying, okay, you should do this instead of that please do it now, we think number one would be shortsighted, cause a lot of tension in the relationship, but also probably wouldn't deliver on turning the ship around.

We actually don't believe that control rights as a minority investor in this industry where management delivers the alpha and manages all the client relationships and understands what their business needs more than you ever can and has more skin in the game than you do. We don't think it's valuable to have the ability to come in and tell people what to do. And so, we don't bargain for it. We as a minority investor would have the sort of protections that you would expect, but we don't have affirmative governance rights. We think they're not useful. And so instead in that situation, we show up and say, how can we help?

Here are some things we've seen elsewhere. Can we bring more resources to bear to help you through whatever issue it is that you're working on. It's very much alright, how do we support you through this?

Tom Yeowart: When I look back at the 25 years Troy's been going, the environment has changed quite markedly. I think probably day one, Sebastian, you were writing your own deal tickets, everything's now far more automated. Information's become commoditised. You've had the rise of passive investing; you've had the rise of pod shops. And we've talked a lot about some of these structural supports for active management or good active management. Ensuring you have partnership, autonomy, alignment of interests. They provide really good foundations for success. But are there any other factors, attributes you look for that give you confidence in the durability of long only active managers success over time?

Seth Brennan: In the 30 years that I've been in the industry, just sort of shocking to say out loud that it's been 30 years, there's always been an increasing hurdle for success. The business has evolved. It's gotten more sophisticated, investors have gotten more sophisticated, demographics have changed. So, there are these large forces that are applying themselves to the industry broadly. And there have been segments of the industry that have been more in vogue. There were the mutual funds of the eighties and nineties, and then wealth managers and then hedge funds. Now it's private markets and private credit and there seems to be things that attract investors attention.

And meanwhile, in the background, the prior categories have continued to grow as well. And so, when we talk about passive or private markets as taking a larger share of professionally managed assets. That's true, but the other categories are enormous. I mean, trillions of dollars and there are investors who will continue to need and want active solutions for whatever their liability is that they're trying to invest against.

And so, we don't necessarily believe in the idea that active management is going out of business. We're big believers in active management. Now within that, you have to have a differentiated offering. You have to have a solution that delivers over time. You have to justify your existence. If the marginal dollars are going to these other asset categories, you certainly have to compete for either market share within the less fast-growing part of the market, or incremental dollars that are fewer and fewer, and you need to justify why you can charge for it.

And so, we look at a business and we try and ascertain like, does this deliver a solution that has a need and can compete effectively? Growth is important in an organization over the long term, particularly for human capital-intensive businesses like the asset management world. And so, growth is important, but long-term growth, not necessarily short-term growth. And so for a firm like Troy that has a 25 year track record of delivering relevant and good outcomes and meeting the expectations of the clients that they serve, you know, with a really, really strong presence in the UK market and growing into other markets, we can look at that and say, this is a business that will be durable. This is a business that should continue to be successful in delivering not just the investment solution, but also hopefully taking market share over time as other businesses stumble.

And then what can we do in terms of delivering a solution for whatever the catalyst for the transaction? And here, this was a terrific opportunity to help Troy continue to be an independent business that is owned by its employees and reduce an outside shareholding in a way that increases ownership by the next generation. And so, Tom, as you said, that's the foundation, so we can help with the foundation. But we really believe in the relevance of and the competitiveness of the Troy solutions over the long term.

Tom Yeowart: So, Sebastian one for you. It'd be useful to better understand the context for seeking out Lincoln Peak and also why Troy thought Lincoln Peak was the right partner for the next leg of our journey.

Sebastian Lyon: So as Seth said, we first met with Lincoln Peak in 2018. We met with various other potential partners. We knew ultimately that there was a likelihood that the Weinstock family, who'd supported the business going right the way back to 2000. I established the business with Lord Weinstock back then. That they were likely to seek liquidity for their stake in the business which had fallen over the years down to a mid-thirties number. One of the things that we as a management team and a board felt very determined by was to not sell a majority stake in Troy. To find a partner that was going to be effectively with us on the journey as a minority shareholder in the way that the Weinstock family have been for many, many years.

To help us with succession planning to help us with the evolution of the equity. And frankly the list was pretty short. It would've been very easy for us to find a majority partner and seed control. We were very keen not to do that. We agree with Seth, we feel that the future of a boutique is its independence.

I think clients like that, very importantly, employees like that. I think that we've seen a lot of mistakes in terms of errors made where majority effectively has been seeded. And so, we looked for a partner and there aren't many that have both the long-term capital that Lincoln Peak have in terms of their investor base and that are willing to take minority stakes in businesses.

So actually, we sort of naturally came across one another and got to know one another and, and there was a natural bonding, which ultimately led to the deal that we did just over a year ago.

Tom Yeowart: So, Seth, you mentioned that some of the best investors had slightly quirky personalities. What is it about Sebastian's quirky personality that attracted you to Troy and the way we invest?

Seth Brennan: Wow, this is a dangerous question. Sebastian's obviously a very passionate investor and has strong and well-informed views on the markets that multi-asset is participating in. But I think one of the things that's really interesting is investors need to have strong opinions, but they also have to be willing to challenge their opinions. And one of the things that has struck me about Sebastian, he's a very good listener and he asks a lot of questions. And so, you know, as you look at somebody who has the track record that he, and the team that supports him here, have developed, some of that is the courage of your convictions and the experience you've developed in the markets that you're in. And some of that is, you know, the willingness to ask questions, be curious and challenge yourself.

And obviously he's a very, very focused person on the success of Troy and its people, and its culture and its investors. And that comes through very clearly, consistently again and again. He's very, very passionate and very, very focused. And at the same time, really concerned about what the long-term outcomes are going to be for this business and its constituents.

Tom Yeowart: Turning to our closing question. What piece of advice would you give a young Seth Brennan at the start of his career?

Seth Brennan: I'm not sure a young Seth Brennan would be listening at the time, but so, you know, I think, one of the things that I would say is to be curious and continue to ask questions. Certainly take risks in terms of the opportunities that you pursue. I think some of the most rewarding things in my career have come from jumping into something that I didn't really know where it was going to lead, but it seemed like a good idea. That was AMG, that was starting Lincoln Peak with Tony.

And then I would say the other thing is really look to surround yourself with or find mentors who are smart quality people who, they do the right thing, and they'll take an interest in your success. I mean, I've been very lucky to have had some great mentors along the way. When I was in investment banking, I was in a group that really cared about the success of their young people. And then I had great partners in starting AMG. And then I have a great partner in Tony, and we have some great people that we're trying to pay that forward to in terms of our organisation. And so really looking for quality people who are going to take an interest in your success.

Tom Yeowart: Great answer, Seth. And thank you very much for coming on.

Seth Brennan: Thank you very much, Tom. Thanks Sebastian.