Value Investing Program
Student Information Session

Uris 301, 12:30 p.m.
Agenda

- Introduction to the Heilbrunn Center: Who we are and what we do
- Investing at Columbia: Something for everyone
- The Value Investing Program
  - Overview of the Application Process: Steps to Apply
  - Testimonials: Advice from current value investing program students
Heilbrunn Center Leadership

**Bruce Greenwald**, the Robert Heilbrunn Professor of Finance and Asset Management, directs the Heilbrunn Center for Graham & Dodd Investing and the academic program in value investing.

**Tano Santos**, the David L. and Elsie M. Dodd Professor of Finance, is the research director of the Heilbrunn Center for Graham & Dodd Investing.

**Louisa Serene Schneider ’06**, the senior administrative director of the Heilbrunn Center for Graham & Dodd Investing, is responsible for all operational aspects of the center.

**Executive Advisory Board**

- **William von Mueffling ’95**, Chair Cantillon Capital Management
- **Michael Blitzer ’04**, Kingstown Capital
- **Will Browne**, Tweedy, Browne Company, LLC
- **Budge Collins**, Collins/Bay Island Securities
- **David Greenspan ’00**, Slate Path Capital
- **Andrew S. Gundlach ’01**, Arnhold & S. Bleichroeder Advisors LLC
- **Lauren Krueger ’02**, Columbia Business School
- **Thomas Russo**, Gardner Russo & Gardner LLC
- **Jennifer Wallace ’94**, Summit Street Capital Management
## Value Investing Faculty Affiliations: 2014-2015

- Arnaud Ajdler, Engine Capital
- Gavin Albert, Soros Fund Management
- Eric Almeraz '02, Apis Capital Advisors, LLC
- Christopher Begg, East Coast Asset Management, LLC
- Avi Berg ’97, Jennison Associates, LLC
- Naveen Bhatia, Blackstone Group LP
- Ethan Binder ’06, Slate Path Capital
- Michelle Borre ’96, Oppenheimer Funds, Inc.
- Ryan Brown, Davis Selected Advisers
- Margaret Cannella ’76, CHF International, LLC
- Ellen Carr, Weaver Barksdale
- Jeff Cino ’06, PIMCO
- Mark Cooper ’02, First Eagle Investment Management
- Mike Corasaniti ’92, Tourmalet Advisors
- Wouter Dessein, Columbia Business School
- Peter Eliot ’04, Capital World Investors
- Jean-Marie Eveillard, First Eagle Investment Management
- Kian Ghazi, Hawkshaw Capital Management
- Jefferson Gramm ’03, Bandera Partners, LLC
- Joel Greenblatt, Gotham Asset Management
- David Greenspan ’00, Slate Path Capital
- Bruce Greenwald, Columbia Business School
- Andrew Gundlach ’01, Arnhold and S. Bleichroeder Advisors LLC
- Scott Hendrickson ’07, Permian Investment Partners
- David Horn ’02, Kiron Advisors, LLC
- Munib Islam, Third Point LLC
- Paul Johnson, Nicusa LLC
- Mike Kimpel ’12, Permian Investment Partners
- Terrence Kontos ’05, TIAA-CREF
- Dan Krueger ’02, Owl Creek Asset Management, LP
- Lauren Krueger ’02, Columbia Business School
- Stirling Levy ’00, Hound Partners
- Jonathon Luft ’08, Eagle Capital
- Keith Luh ’03, Franklin Mutual Series
- Michael Mauboussin, Credit Suisse
- Ian McDonald, Hilltop Park Associates
- Justin Muzinich, Muzinich & Co.
- Neal Nathani, Totem Point Management LLC
- Kevin Oro-Hahn ’10, Ingalls & Synder
- T. Charlie Quinn ’06, Gardner, Russo, and Gardner
- Rishi Renjen, Maverick Capital
- Jon Salinas ’08, Plymouth Lane Capital
- Tano Santos, Columbia Business School
- Ken Shubin Stein, Spencer Capital
- Guy Shanon ’99, Kingstown Capital Management, LP
- Joseph Stiglitz, Columbia Business School
- Tom Tryforos ’84, Columbia Business School
- Artie Williams ’02, Summit Street Capital Management
- Dan Yarsky ’06, Moore Capital
Introduction: Heilbrunn Team

- **Louisa Serene Schneider**, Senior Director: 212-851-5992
- **Emily McClain**, Senior Associate Director: 212-851-0150
- **Julia Kimyagarov**, Associate Director: 212-854-1933
- **Ashleigh Hussey**, Program Coordinator, 212-851-9558

- Contact Info:
  - Email: valueinvesting@gsb.columbia.edu
  - Offices: Centers’ Suite, 2M
  - Office Hours: Email for appointment
  - Website: www.grahamanddodd.com
  - LinkedIn Group: Value Investing Network of Heilbrunn Center at Columbia Business School
Heilbrunn Center: Overview

- Our mission is to lead the theory and practice of investing

- Our approach:
  - VI Program for MBA students
  - 40+ investors teaching as adjunct faculty
  - Investment Ideas Club (IIC)
  - CSIMA education series
  - Class speakers
  - Pershing Square Challenge
  - Amici Capital Prize
  - Sonkin Prize
  - Practitioner Chair

Research Initiatives & Special Projects

- Walter Schloss Investing Archives / Library
- Newsletter – *Graham & Doddsville*
- Heilbrunn Research Board
- Heilbrunn Center Annual Letter

Education

- Graham and Dodd Breakfast
- CSIMA Conference
- Omaha Dinner—"From Graham to Buffett and Beyond"
- Annual Omaha Student Trip
- Networking events
- Discussion forums
- Recruiting support – mentors, etc
- Recognition of excellence
- Industry Partnerships – NYSSA, etc.

Outreach
"Graham & Dodd" Investing

Approaches to Investing

Long Term
- Fundamental (Value)
  - Levels
  - Market Price vs. Intrinsic Value

Short Term
- Fundamental (Value)
- Technical
  - Changes
  - Current Price + Forecast Change (Micro and Macro)
  - Momentum
  - Price/Volume Patterns

Efficient Markets
- Asset Allocation
- Cost Minimization

We are here = "Graham & Dodd"

Long only funds, Hedge funds, Mutual funds, Private Equity, separate accounts, etc.

Columbia Business School
AT THE VERY CENTER OF BUSINESS
Value Investing Process

Graham & Dodd Investing Framework

SEARCH

• Cheap, Ugly, Obscure
• Otherwise Ignored
• Areas where you have expertise/‘edge’ (circle of competence)

VALUATION

• Asset coverage
• Earnings Power
• Franchise & growth analysis

REVIEW & RESEARCH

• Key Issues
• Collateral Evidence
• Personal Biases

RISK MANAGEMENT

• Portfolio management
• Insurance positions
• Some Diversification
• Margin of Safety
• Patience – Default Strategy
### Courses Supported by Heilbrunn Center (2014-2015)

#### Fall 2014

<table>
<thead>
<tr>
<th>Course Name</th>
<th>Professor</th>
</tr>
</thead>
<tbody>
<tr>
<td>Advanced Investment Research ^*</td>
<td>Kian Ghazi</td>
</tr>
<tr>
<td>Applied Value Investing #*</td>
<td>Mark Cooper/Jonathon Luft/Jean-Marie Eveillard</td>
</tr>
<tr>
<td>Applied Value Investing #*</td>
<td>Artie Williams/T. Charlie Quinn</td>
</tr>
<tr>
<td>Applied Value Investing #*</td>
<td>Rishi Renjen/Kevin Oro-Hahn</td>
</tr>
<tr>
<td>Applied Value Investing #*</td>
<td>Scott Hendrickson/Mike Kimpel</td>
</tr>
<tr>
<td>Applied Value Investing ^*</td>
<td>Andrew Gundlach/Jean-Marie Eveillard</td>
</tr>
<tr>
<td>Credit Markets and Leveraged Buy-Outs (EMBA) ~*</td>
<td>Margaret Cannella</td>
</tr>
<tr>
<td>Economics of Strategic Behavior (MBA Block Week) #-*</td>
<td>Wouter Dessein</td>
</tr>
<tr>
<td>Mental Models #*</td>
<td>Ethan Binder/Jeff Cino</td>
</tr>
<tr>
<td>Misunderstood Securities: Investing in Uncertainty and Change #*</td>
<td>Lauren Krueger</td>
</tr>
<tr>
<td>Security Analysis ~*</td>
<td>Gavin Albert/Mike Corasaniti</td>
</tr>
<tr>
<td>Security Analysis ~*</td>
<td>Chris Begg</td>
</tr>
<tr>
<td>Seminar in Value Investing (EMBA)~*</td>
<td>Paul Johnson</td>
</tr>
<tr>
<td>Special Situations #*</td>
<td>Joel Greenblatt/Dan Yarsky</td>
</tr>
<tr>
<td>Value Investing (EMBA Block Week) ~*</td>
<td>Tano Santos</td>
</tr>
<tr>
<td>Value Investing in Credit Markets ~*</td>
<td>Justin Muzinich</td>
</tr>
</tbody>
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#### Spring 2015

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<tbody>
<tr>
<td>Advanced Investment Research ^*</td>
<td>Kian Ghazi</td>
</tr>
<tr>
<td>Advanced Investment Research ^*</td>
<td>Cheryl Einhorn</td>
</tr>
<tr>
<td>Advanced Investment Research ^*</td>
<td>Ken Shubin Stein</td>
</tr>
<tr>
<td>Applied Security Analysis 1 &amp; 2 ~*</td>
<td>Jon Salinas/Navneen Bhatia</td>
</tr>
<tr>
<td>Applied Value Investing ~*</td>
<td>Eric Almeraz/David Horn</td>
</tr>
<tr>
<td>Applied Value Investing (EMBA) ~+</td>
<td>Arnaud Ajdler</td>
</tr>
<tr>
<td>Applied Value Investing (EMBA) ~+</td>
<td>Tom Tryforos</td>
</tr>
<tr>
<td>Credit Markets and Leveraged Buy-Outs ~*</td>
<td>Margaret Cannella</td>
</tr>
<tr>
<td>Distressed Value Investing #-*</td>
<td>Dan Krueger</td>
</tr>
<tr>
<td>Economics of Strategic Behavior #-*</td>
<td>Wouter Dessein</td>
</tr>
<tr>
<td>Economics of Strategic Behavior (EMBA FRI/SAT format) ~*</td>
<td>Bruce Greenwald</td>
</tr>
<tr>
<td>From Feast to Famine (And Back Again): Investing in the Credit Markets Through Cycles</td>
<td>Margaret Cannella/Ellen Carr</td>
</tr>
<tr>
<td>Security Analysis ~*</td>
<td>Michael Mauboussin</td>
</tr>
<tr>
<td>Security Analysis ~*</td>
<td>Ian McDonald/Ryan Brown</td>
</tr>
<tr>
<td>Value Investing (EMBA) ~+</td>
<td>Tano Santos</td>
</tr>
<tr>
<td>Value Investing (A Term) ~*</td>
<td>Bruce Greenwald/Tano Santos/Jean-Marie Eveillard</td>
</tr>
<tr>
<td>Value Investing with Legends ~*</td>
<td>Bruce Greenwald/Tano Santos/Jeacr-Marie Eveillard</td>
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Note: All VI classes have two prerequisites: Capital Markets & Corporate Finance
- In some cases, Capital Markets can serve as a co-requisite (contact the Heilbrunn Center for more information).
- All courses depend on availability and are subject to change without notice.

**KEY:** MBA Courses*, EMBA Courses*, Value Investing Program Application*, Bidding ~ Additional screening required ^

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### Summer 2015 (Tentative)

<table>
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<tr>
<th>Course Name</th>
<th>Professor</th>
</tr>
</thead>
<tbody>
<tr>
<td>Globalization (EMBA) ~*</td>
<td>Joseph Stiglitz/ Bruce Greenwald</td>
</tr>
<tr>
<td>Security Analysis ~*</td>
<td>Keith Luh</td>
</tr>
<tr>
<td>Seminar in Value Investing (EMBA)~*</td>
<td>Paul Johnson</td>
</tr>
<tr>
<td>Advanced Investment Research ~</td>
<td>Peter Eliot</td>
</tr>
<tr>
<td>From Feast to Famine (And Back Again): (London)</td>
<td>Margaret Cannella</td>
</tr>
</tbody>
</table>
Value Investing Program for You (2015-2016)

- The VI Program will be one block: CY15 = 9,000 points
- The VI Program will consist of the following courses:
  1. Applied Value Investing (3 Credits) - Fall 2015
  2. Special Situations (3 Credits) - Fall 2015
  3. Economics of Strategic Behavior (3 Credits) - Fall 2015 or Spring 2016
  4. Distressed Value Investing (3 Credits) - Spring 2016
  5. Value Investing with Legends (3 Credits) - Spring 2016
- If you are admitted into the program you must complete all 5 classes to be considered a Value Investing Program Graduate.
- All courses depend on availability and are subject to change without notice.
Value Investing Program Courses

- **POINTS:** You will be charged **9,000** points for the five program classes, which you will be pre-enrolled into upon acceptance into the program:

  1. Applied Value Investing
  2. Special Situations
  3. Economics of Strategic Behavior
  4. Distressed Value Investing
  5. Value Investing with Legends

- If you have already completed any of the program classes, you will still be charged **9,000** points for the Value Investing Program.
Other Application Based Value Investing Courses

- All application based classes cost an additional **1,000 points**

- Other classes that are limited to students applying for the VI Program but not exclusive to the students in the VI program:
  - Mental Models – Fall 2015
  - Misunderstood Securities – Fall 2015

  o Even if you are admitted to the program, you are NOT assured a seat in Mental Models or Misunderstood Securities

  o The professors for Mental Models and Misunderstood Securities will select their rosters based on your program application

- Other classes that require application but are not part of the VI Program:
  - Advanced Investment Research – Summer 2015, Spring 2016

- In addition, the Heilbrunn Center may offer bidding only sections of Applied Value Investing

- Please schedule an appointment with the Heilbrunn Center if you would like thoughts on specific classes
VI Sequence – Administrative Details

- **Enrollment Capacity:** Maximum 40 students

- **Interview:** You must sign up for and attend a **mandatory interview** with the Heilbrunn Center.

  Interview sign-ups begin in the Heilbrunn Center 2M6:

  **10:00 a.m., Monday, March 2, 2015**

  Interview slots scheduled between:

  **Monday, March 30, 2015 – Friday, April 17, 2015**

  Deadline for Interview Sign-Up:

  **Friday, March 13, 2015 at 5:00 p.m.**

  **Timeslots will be filled on a first come first serve basis.**
Value Investing Program Application

- **Application:**

  Submit your application electronically by **Monday, April 20, 2015, 12 p.m. EST (no exceptions)** as a single PDF file named LastName_FirstName.pdf.

- Send it to valueinvesting@gsb.columbia.edu. You will receive confirmation that we have received your submission.

- Applications must include:

  1. **Application Information Form** – We will email form on **Tuesday, March 24, 2015**
  2. **Cover Letter (1 Page)** – Explaining why you want to be in program
  3. **Resume (1 Page)**
  4. **Investment Idea (2 Pages)** – Idea options will be emailed on **Tuesday, March 24, 2015**.

- In the application, it helps to demonstrate interest in the subject matter, aptitude for investing, and commitment to the work.
Value Investing Program Application: Investment Write-Up

- **Investment Write-Up:**

  Write a *2 page memo* analyzing an idea based on the options the Heilbrunn Center provides on **Tuesday, March 24, 2015.**

  - What value you assign to the company and why
  - What makes this idea attractive or unattractive
  - The competitive situation of the company (industry or peers)
  - Limit the text and financial analysis (charts, tables, etc.) to *2 pages (single-sided)*
Consideration will be given to interest level, preparation (books read, knowledge of industry, value techniques, etc.), and demonstrated commitment to investing.

Application Review:

- Applied Value Investing professors and at least one member of the Heilbrunn Center staff.

- At the professor’s discretion, phone interviews may also be scheduled.

- The review/selection process is conducted with best efforts to match instructor/student preferences.
Application Review Process

By submitting an application you agree:

- To the application review process and will accept the final decisions of the professors reviewing the applications.
- All decisions are final.
- We are unable to provide specific feedback on any applications. By submitting an application you acknowledge that you understand this policy.

Important Information:

- The courses offered as part of the VI Program and the Heilbrunn Center are subject to change at any time without advance notice due to unforeseen circumstances or change in teaching schedules or adjunct availability.
**Professor Request:** Does not come into play until the class has been selected.

**Notification:** By the 2nd week of June via your official CBS email account.
Q & A with current members of the Value Investing Program:

Michael Appleby ‘15
Suhasini Bhargava ‘15
Juliana Bogoricin ‘15
Pei Huang ‘15
Brian Waterhouse ‘15
Thank you!