

Winfrey Hires a Star Manager

Chief Investment Officer for Eli Broad Fortune Signs On to Run Her Billions

By PETER LATTMAN And MARY PILON

Oprah Winfrey has made a fortune in television, magazines and movies. Now she has hired someone to manage it.

Wealthy investors typically hire managers at banks and brokerage firms to handle their financial affairs. A family office is considered a step up from such an arrangement, with a team of advisers working exclusively, and directly, for the client.

The move is akin to starting a personal money-management firm. Computer mogul Michael Dell, for instance, has a team of 80 people at MSD Capital, a New York-based operation overseeing more than \$10 billion of Mr. Dell's personal assets.

Bringing on Mr. Adamson is considered a coup for Ms. Winfrey. Mr. Adamson, a 47-year-old Stanford University business-school graduate, has served as Mr. Broad's investment chief since 2001. Before that, he was an adviser to the billionaire Bass brothers in Fort Worth, Texas, an operation that became a model for family-office investment vehicles around the U.S.

With the Broad Foundations, Mr. Adamson has a record of earning 3% to 4% above the "appropriate indices," according to a foundation email discussing its results. On Monday, Mr. Adamson was in New York accepting an award from Institutional Investor magazine for Large Foundation Manager of the Year.

Mr. Adamson oversaw \$2.5 billion in investments for the Broad Foundations and Mr. Broad, who made his fortune building two large companies—KB Home and SunAmerica, the latter of which in 1999 was sold to American International Group Inc. for \$18 billion. The Eli & Edythe Broad Foundation was the eighth-largest U.S. family foundation by giving in 2008, the last year for which data is available, donating \$116.5 million to various causes, according to the nonprofit Foundation Center.

Under Mr. Adamson's direction, the Broad family office has practiced an investment style pioneered by Yale University and its chief investment officer David Swensen, de-emphasizing stocks and bonds while embracing less-traditional fare like hedge funds, private equity and distressed debt. Mr. Adamson also oversaw Mr. Broad's direct investments, including a failed bid in 2007 to buy Tribune Co., the newspaper chain that collapsed a year later.

Mr. Broad began investing in hedge funds in the late 1980s before they were popular investments. He was an early investor in financier Eddie Lampert's hedge fund, and also has invested with large firms including Maverick Capital and Perry Capital Management.