



PIE Funds manager Mike Taylor.

Photo: Phil Doyle

# MANAGER'S MUM WANTS SHARE OF THE PIE

Mike Taylor has tested his investment skills on his nearest and dearest, reports Rob Stock.

**M**IKE TAYLOR, the sole fund manager of new boutique funds operation PIE Funds, made his start in fund management with a \$10,000 loan and a \$3000 overdraft from the bank.

It was back in 2000, and the new graduate invested the money in markets depressed by the collapse of the technology bubble, paying the loan back at \$500 a month from investment income and from his day job at National Bank's corporate banking arm.

Over time, Taylor's investment did well. So well, that family and friends began entrusting him with their cash, his mum included.

Although he continued with a string of

finance jobs, leaving National Bank for ABN Amro and then Merrill Lynch in London, he continued to invest for himself and an ever-increasing circle of family, friends and friends of friends.

By the middle of last year, Taylor was overseeing \$1.5 million of investments, and decided to quit his day job, then at Bank of Scotland in Auckland, working with a team providing loans to the likes of private equity managers, property developers and finance companies.

And, at the tender age of 38, he launched his own fund management firm based in Takapuna on Auckland's North Shore, just a few hundred yards from the offices of Flabber Funds, the country's most famous boutique fund manager.

It was the culmination of a dream Taylor had nurtured since buying his first share.

Most of his private clients (mum included) opted to have their investments rolled into PIE Fund's new Australasian Growth Fund, which has a mandate to

invest in smaller companies on both sides of the Tasman.

With his own and his mother's money in his fund, prospective investors can rest assured that Taylor has a lot more resting on his fund's performance than most managers could claim.

Taylor says making his first investments in the wake of the 2000 technology crash suited him perfectly.

"I was risk averse," he explains. "I didn't have very much money and I didn't want to lose any."

The Warehouse was the first share he ever bought, although he also had early success buying Telecom when other investors were bearish on the stock.

Over the nearly eight years of his investment career, Taylor has refined his system of investing, scoring companies on 18 factors (management quality, takeover target potential etc) to sift the good from the bad and mediocre.