

Hedge Fund Alert

THE WEEKLY UPDATE ON FUND MANAGEMENT INTELLIGENCE

With Eye On Big Expansion, Hurricane Adds Former AllianceBernstein Exec, Plans Sales Hires

Hurricane Capital has hired a former top **AllianceBernstein** executive to oversee marketing, sales and client-services functions as part of the multi-strategy manager's sustained expansion efforts.

Robert Keith started this month as Hurricane's co-president with plans to substantially boost assets beyond the existing level of \$1.3 billion. Keith also is looking to increase the New York firm's sales and client-servicing staff from three to 10 or more over the next few years. Additionally, Hurricane aims to boost its portfolio manager roster from 57 to 75 in the near term to help it further increase its asset capacity.

Keith's most recent position was head of AllianceBernstein's global client group, which handles sales, client-service marketing and product strategy for the big asset manager's institutional and retail clients, who had some \$550 billion with the firm at the end of 2019. Keith retired from AllianceBernstein and transitioned into an advisory role in 2021 and, following a garden leave, performed consulting work last year.

Keith is one of Hurricane's biggest additions since the firm launched in 2021. He arrived shortly after Hurricane began marketing its first multi-strategy fund last month, a vehicle called Hurricane Hunter Fund that it expects to launch this quarter with \$500 million.

"I'm excited by the prospect of helping investment teams build and scale businesses on Hurricane Capital's platform and also about bringing differentiated return streams to market with terms that are more aligned with the interests of asset owners," Keith said.

He arrives at Hurricane as the market for multi-strategy funds is increasingly competitive even while numerous

investors continue to look to allocate to the sector.

Among Hurricane's other products is an equity-only multi-manager vehicle that launched in June and that was up close to 5% through mid-December. That offering, Ibis Multi-Strategy Fund 1, was running \$75 million at the time.

Hurricane operates an unusual hybrid structure that gives its investors and the firm substantial flexibility over how they allocate to the firm's underlying portfolio managers, all of whom run independent trading shops but only run capital for Hurricane or its investors.

Hurricane's portfolio managers may run capital for one or more of Hurricane's funds, or they may run capital only for individual Hurricane investors who choose to allocate to them. The Hurricane Hunter Fund, for example, is expected to be traded by 27 of the firm's 57 portfolio managers, with exposure to equities, futures and credit products.

Like many multi-strategy funds, the vehicle takes a profit cut and passes through its expenses but doesn't charge a management fee.

Keith sat on AllianceBernstein's operating committee, and his client-services group business there was large, employing some 600 people when he left.

Keith got his start as a salesman for **IBM**. He later worked for **Sanford C. Bernstein**, where he became head of the firm's private wealth-management business in the Southwest U.S. He held that position in 2000 when **AXA**-controlled **Alliance Capital** made a deal to buy Sanford C. Bernstein to form AllianceBernstein. Keith took the position of head of the firm's global client group in 2011, a role that included the position of president and chief executive of its mutual funds business.

Hurricane's chief executive and co-chief investment officer is **Chris Napoli**. He owns the firm along with the other co-CIO, **Adam Wolfberg**, and **Matt DeSalvo**, who is co-president alongside Keith. Napoli and Wolfberg previously worked together at **EastBay Capital**, while DeSalvo was at **Mizuho** and **Credit Suisse**. ■