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Hedge Funders Band Together for Charity

At Hedge Fund Rocktoberfest, fund managers take up guitars instead of portfolios and finance takes a backseat to the benefit concert

by [Burt Helm](#).



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It's Thursday night at B.B. King's in New York City's Times Square, and the place is rockin'. A nine-member band is onstage, complete with brass, bongos, the works. Women, some in stylish form-fitting tunics, others in black dresses, dance by the stage with men in checked button-down oxfords tucked into pleated khakis, some with suits and no ties.

It's Hedge Fund Rocktoberfest—an annual concert featuring bands and soloists from the hedge fund investment community. The band The Subscribers are onstage, featuring members of Octagon Asset Management, Lazard Asset Management ([LAZ](#)), Brownstone Asset Management, Société Générale Asset Management, and three other firms. They're belting out *These Boots Are Made for Walkin'*.

The song choice is peculiar. That's because behind them on projector screens, interspersed between the logos of the event's corporate sponsors, are images of Indian children with club feet and prosthetic legs.

That's because the hedge funders are throwing the event to raise money for some of the most disadvantaged people in the world: poor children who have been born with deformed limbs or had their limbs amputated. Mead Welles, founder of Octagon Asset Management, started the charity in 1999 after a trip overseas to identify investment targets for his fledgling fund brought him into direct contact with the children's plight.

Funds for Prosthetics

For the last few years, the charity has sponsored benefit events catering to the hedge fund community, including Hedge Fund Polo tournaments and a Hedge Fund "Hunks" date auction.

(Welles insists he wasn't aware this was planned, though he did go for \$1,200 in the auction. He's now engaged.) The charity uses the money to help doctors in the developing world fit impoverished children with the prosthetics they need.

So far, 311 children have registered to receive prosthetics and 157 children have received them, all through the work of the three-year-old charity. He calls the organization "A Leg to Stand On." Now, for the third year, he and bandmate Chris Heasman of Lazard Asset Management have organized Hedge Fund Rocktoberfest. It continues to grow each year, and this year was attended by 1,040 people and raised \$250,000 for the charity.

How else could you get yourself onstage in one of the best venues in Manhattan, in front of a thousand people? You make yourself the benefit concert. Get your lucrative financial-services firm to kick in a sponsorship—\$10,000 for the "Gold" level that includes 10 tickets for the firm and any clients. Then tell your broker, your lawyer, your accountant, or anybody else who depends on you and your mountains of cash for their livelihood to kick in and buy some tickets themselves, too—for needy children!

Capital Crowd

Then buy a bunch of tickets yourself for your buddies. You've got enough to rent out all of B.B. King's for six hours in no time, complete with a full open bar, plenty of hors d'oeuvres, and a buffet. Not to mention a ton of money left over for the kids. Getting slotted to perform, says Welles, depends on how much money the band can commit to raise for A Leg to Stand On, as well as on how well they play. About 60% of the tickets sold are bought as large blocks, usually by the sponsoring firms, he says.

The result is a packed house of portfolio managers, analysts, traders, investment bankers, lawyers, auditors, and more than a few blondes. Everybody yaks loudly by the back bar of the main room, jerkily nodding their heads to the music and taking pictures of the band with their cell-phone cameras in the front of the room next to the stage. Some drift over to chat quietly at Lucille's Restaurant, the smaller concert stage where the acoustic acts play.

Photographers circulate. "Want to put my phone number next to my photo?" jokes one woman who gets her picture snapped. Another one makes the same crack five minutes later. Several men announce they are missing Game 7 of the Mets vs. St. Louis series to be here. A true badge of sacrifice.

Everyone is sucking back the beers they've plucked from the buckets of ice the staff carry around, gulping canapés, and chatting about who's performing and the good cause. "The drummer, he's worth like, \$30 million," breathes one pretty young financial consultant after The Bull Path Jammers finish their set.

Powerful Performance

Backstage after the set, The Bull Path Jammers are kicking back, packing up their stuff, and passing around whiskey and taking swigs. It's a bottle of Bushmills Irish Single Malt, aged 16 years. "Hard to find an Irish single malt!" says the keyboardist. The band, composed of Brownstone Capital's Roy Ophir, Bull Path Capital's Rob Kaimowitz, and five others, is getting ready to join the crowd to watch the five bands that remain. "You were right on," the keyboardist tells the lead singer.

It's 9:40 p.m., and The Subscribers go on. It's the band started by Welles and Heasman, whose first benefit concert in 2003 ended up growing into today's Rocktoberfest. Unlike the others, they

get a full hour for their set. As they charge onstage, the regular spotlights go down. Flashing, twisty blue and red ones come up. Machines begin to pump out plumes of steam.

This is the real rock-star experience. The lead singer, Timothy Wheeler of Lowenstein, Sandler P.C., takes the microphone full-tilt forward, grasps it with his right hand and then with both as he belts out *Message in a Bottle* by The Police. Men and women crowd in front to dance. The Subscribers take the audience through hit songs from the 1960s and '70s.

Money Never Sleeps

Then, "Give up your love for Laaaa-zzzzaaaaard!!!" A friend from Lazard Asset Management joins them to sing The B-52's *Love Shack*. Four young women wearing short black pleated skirts, fishnet stockings, and tight white tank tops take to the stage. Their tank tops are each emblazoned with the word "Subscribette." They begin to go-go dance.

The Subscribers finish. The crowd roars. The normal spotlights come up on the stage, and the next band, StoneHedge, heads up to follow them. There are still two more bands left to play, but as people get another drink or two, they begin to head home. By the time the last band, a group called Miles to Go (with Mario Manna from fund Moore Capital), goes on at 11:30 p.m., the place is almost empty. About four or five people are left on the dance floor.

"By 11 p.m., everyone is either thinking about their 4 a.m. train ride the next morning or the fact that the Tokyo markets are now open," says JAM Partners LP vocalist Tim Seymour, of Red Star Asset Management. His group kicked things off with a set at 6:30 p.m., what he calls a more "choice" spot, given the hours of the finance crowd. It's OK to be a rock star at night, so long as it doesn't conflict with managing that hedge fund during the day.

HEDGE FUND ROCKTOBERFEST



Hedge Fund Rockers Raise the Roof

By Burt Helm

To raise money for Octagon founder Mead Welles' charity, A Leg to Stand On, these Wall Street wizards loosened their ties, stayed up late, and rocked out

HEDGE FUND ROCKTOBERFEST



Four-Car Garage Bands

There was enough money on stage to put Bono to shame, even if the tunes weren't quite up to his standards. Bands and soloists from the hedge fund world took over B.B. King's Blues Club in Times Square on Oct 19. The night's festivities included 64 musicians representing 18 hedge funds and investment banks - and more cover songs than you'd care to imagine.

HEDGE FUND ROCKTOBERFEST



Amping It Up

Organizer Mead Welles, founder of emerging-markets firm Octagon Asset Management, put together the concert to provide disabled youth in developing nations the prosthetics and medical attention they need. He calls his charity "A Leg to Stand On."

HEDGE FUND ROCKTOBERFEST



You're Welcome

So far the Charity has raised almost \$750,000 to date, with 46% of the proceeds allocated to programs. Its doctors have provided braces to cure club feet in 169 children, and have fitted 157 children with 164 limbs. This is one of the posters up at the event.

HEDGE FUND ROCKTOBERFEST



Hitting the Big Time

Now in its third year, Hedge Fund Rocktoberfest took over all of B.B. King's Blues Club on 42nd Street in Manhattan, with acts performing on both stages from 6 p.m. until midnight. Just over 1,000 people attended the \$175-per-person event.

HEDGE FUND ROCKTOBERFEST



Baby It's Cold Outside

Jason Beard of Jetstream Capital warms up backstage with a little 3 AM by Matchbox 20.

HEDGE FUND ROCKTOBERFEST



Talk of the Street

CNBC reporter Melissa Lee is on hand, filming a segment for the network.

HEDGE FUND ROCKTOBERFEST



JAM Partners LP

Do a search for the band JAM Partners LP on Google and you won't get a MySpace page -- you'll get their SEC filings. It's the name of the lead guitarist's hedge fund (short for Jacobs Asset Management) too.

HEDGE FUND ROCKTOBERFEST



Can't Stop the Funk

Last year's SEC investigation isn't stopping Pequot Capital Research Manager Michael Corasaniti from laying down a nasty bass line. Pequot is free of any SEC charges, the firm assured its investors earlier this month. Too bad Corasaniti is very guilty—of being so funky.

HEDGE FUND ROCKTOBERFEST



Renaissance Man

Brownstone Capital's Roy Ophir played in two of the night's bands: the Bull Path Jammers and the Subscribers. He plays the sax as well as the harmonica, and has collaborated with Chris Barron, former lead singer of The Spin Doctors.

HEDGE FUND ROCKTOBERFEST



Boys are Back in Town

Members of the all-Credit-Suisse (save for one guitarist) band Aged Inventory are based in the bank's offices all over the country, but reunited for the show.

HEDGE FUND ROCKTOBERFEST



Remember Me?

Chris Barron, formerly lead singer of The Spin Doctors and the featured performer of the evening, plays a 60-minute set in Lucille's Restaurant. It's the quieter "unplugged" room off of B.B. King's main stage.

HEDGE FUND ROCKTOBERFEST



Mixing Business with Rock

Lucille's isn't just for soft acoustic rock. "People can party a little bit, and then head to Lucille's to talk business," says Lazard Asset Management's Chris Heasman (not pictured), who organized the event along with Mead Welles.

HEDGE FUND ROCKTOBERFEST



Just a Shot Away

Barbara Bootz belts out lines from the Rolling Stones' *Gimme Shelter*. She is a member of the band StoneHedge, made up entirely of a gang from secretive hedge fund Moore Capital

HEDGE FUND ROCKTOBERFEST



Looooove Shack!

Singing the B-52s classic, Kit Boyatt of Lazard Asset Management's Fund of Funds takes us to a little old place where, well, you know the rest.

HEDGE FUND ROCKTOBERFEST



Men of the Hour

At 9:40 p.m., the headlining act The Subscribers, the band that started the very first Rocktoberfest, takes the stage. Its members include Mead Welles of Octagon (far right) and Lazard Asset Management's Chris Heasman (second from left). Also pictured are Timothy Wheeler (left) and Nader Salman of Société Générale Asset Management.

HEDGE FUND ROCKTOBERFEST



This Money Don't Make Itself

A man checks his Treo during a set by the Bull Path Jammers. "With this group, the earlier sets are the ones you want to play," says JAM Partners LP vocalist Tim Seymour, of Red Star Asset Management. "By 11 p.m., everyone is either thinking about their 4 a.m. train ride the next morning, or the fact that the Tokyo markets are now open."