

Cantor launches buyout arm

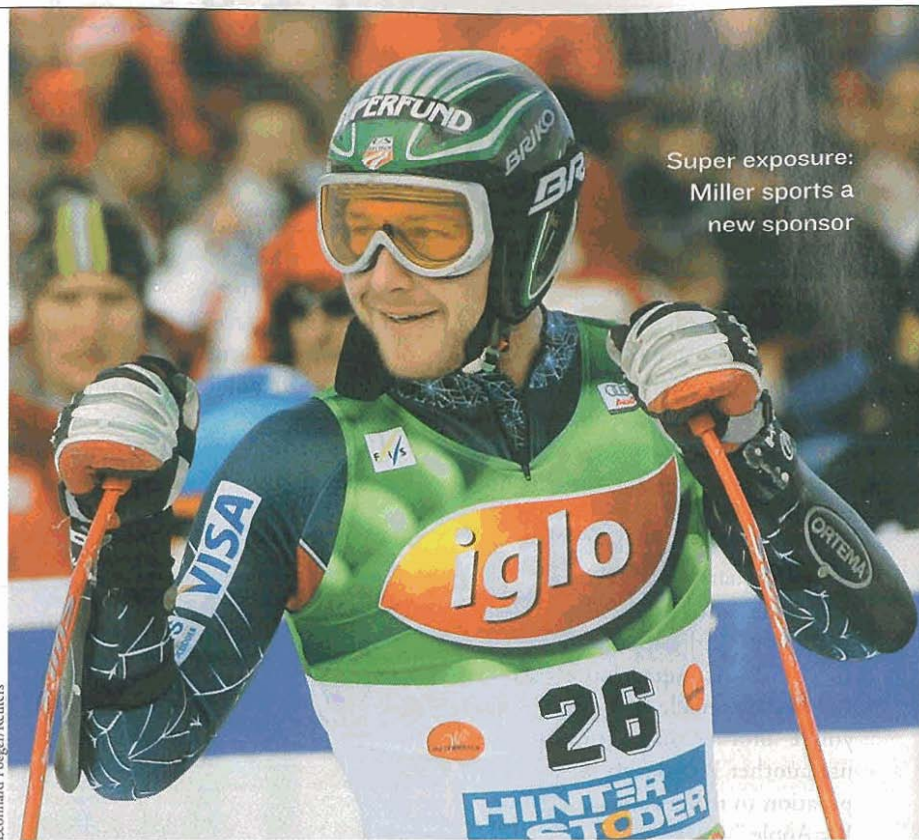
Bond trading specialist Cantor Fitzgerald has in recent years expanded into such fields as investment banking and emissions trading, so it was only a matter of time before it entered the booming private equity field. The launch of its buyout arm, Cantor Capital Partners, kicks off with the hiring of investment banker Burke Dempsey, who started last month.

Dempsey, 44, first met Cantor chairman and CEO Howard Lutnick in 2000, when the banker, then at UBS in New York, took on Cantor's ESPEED as a corporate finance client. Over the next few years, Dempsey not only advised ESPEED on a Canadian joint venture and several financings, he also worked on Reuters's spin-off of its electronic brokerage Instinet and the Chicago Mercantile Exchange's 2002 IPO.

In 2005, Dempsey left UBS to join the New York office of Presidio Financial, where he structured investments for wealth management clients. Lutnick, who will help source and vet deals at Cantor Capital, recruited Dempsey, naming him managing director running the new business.

It's still early in the game for Dempsey, who has yet to assemble his team. In looking for investments, he will first build on his and Cantor's financial services expertise, then expand into other industries as he hires partners. The plan is to aim at the middle market: transactions of less than \$500 million. The first deal could be announced within the next few months.

Initial capital will come from Cantor and the firm's contacts. That's fine with Dempsey, who doesn't want to get involved in a sometimes-frothy private equity market. "We don't have money burning a hole in my pocket," he says. "And Howard seems to be okay with that." — **Loren Fox**



Super exposure: Miller sports a new sponsor

Bode Miller's uphill race

What does it take to stand out these days in alternative investments? Superfund, the managed-futures firm running \$1.5 billion in 15 countries, thinks it has the answer in an unconventional pitchman: American skiing star **Bode Miller**, known for his motto "Go fast and have fun" and for boasting last year during his disappointing performance at the Winter Olympics in Turin that he had partied "at an Olympic level."

Miller, 29, is an unusual choice, to be sure, but one Superfund can use to play up its own idiosyncratic nature. The firm was founded in 1995 by former Viennese police officer Christian Baha, now 37, to appeal to retail investors: Its minimum investment is just \$5,000 or €5,000 (\$6,624), in an industry where a \$50,000 entry fee is the norm. "If you look at Superfund, they are trailblazers in their sector," Miller tells *Institutional Investor*. "They are different, they are young, they are successful. I think Superfund saw a lot of those identical qualities in me."

It also helps that most of Superfund's 55,000 customers are in central and northern Europe, where people learn how to herringbone up a hill about the same time that they learn how to walk. Superfund has sponsored soccer clubs and Formula One teams in Europe for several years, but Miller is its first globally recognized spokesman.

Both the firm and its new face have endured dips and recoveries of late. Superfund's biggest U.S. fund, which gained 11 percent in 2004, suffered a 9 percent loss in 2005 but rose 13 percent in 2006. Similarly, Miller won no medals at the 2006 Winter Olympics but took first at three World Cup events last month. He will sport the Superfund logo on his helmet in February's world championships in Åre, Sweden.

Although Miller believes that both investing and skiing involve "taking calculated risks," he won't be dishing out portfolio advice. "I leave that to the experts," he says.

— **L.F.**