

Fisher move sparks speculation

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By Tamsyn Parker – The New Zealand Herald



Morrison says KiwiSaver has boosted fund management.
Photo / Kenny Rodger

Infrastructure specialist Lloyd Morrison has snapped up a 26 per cent stake in fund management firm Fisher Funds, spurring talk that Morrison may be preparing for future public private infrastructure investments with the new National-led Government.

Morrison, chief executive of Infratil, will join the board of Fisher Funds while managing director Carmel Fisher will take a seat on Morrison's infrastructure investment company HRL Morrison & Co.

Fisher had been looking for a new shareholder since the controversial departure of her chief investment officer Warren Couillault in February.

Couillault stepped down as a director and then sold his 27 per cent stake in the business to Fisher for an unknown figure amid talk of a rift between them. He had been with the company since 2002.

But it was Morrison who approached Fisher to initiate the deal.

Morrison said he was attracted to the company because of the outlook for the sector.

"The outlook for fund management is better than it has ever been essentially because of KiwiSaver."

The pair have also known each other for more than 20 years.

Fisher said the new investment was a good fit because Morrison would also bring complementary skills to the business.

The pair plan to launch a new infrastructure fund on December 4 as part of the new relationship.

The fund will be branded under the Fisher name but will be run by Morrison's company. It will invest in listed infrastructure assets.

Morrison already runs an infrastructure investment portfolio on behalf of the New Zealand Superannuation Fund.

Morrison and Fisher could not comment further on the fund as it had yet to receive final approval under the Securities Act.

Industry commentator Arthur Lim said the investment was an interesting move.

"It's an interesting development in the sense that Lloyd Morrison with Infratil is already in the infrastructure space. If investors want access to infrastructure they can already access it through Infratil shares."

But Lim said an incoming National Government pointed to greater potential for upgrading of infrastructure and with the Government's finances in the red there was more scope for the private sector to get involved.

"What Lloyd Morrison is investing in is an interface with the public."

But Fisher Funds has also been tarnished in the past couple of months with poor performance, a factor which has also hit other funds.