



Letter to the Editor

June 17, 2008

The following letter is in response to our [article](#) last week, *Evaluating Active Managers: The Role of Belief Systems*, by John Minahan.

Dear Editor:

John's comments are spot-on in my view.

I began an intense interest in this topic in the late 1970's and became a Peter O. Dietz disciple. I loved his early work on manager style shifts.

Today, if I am forced to compress a two-day manager interview into 45 minutes, I usually ask the portfolio manager to take two of the best ideas and two portfolio failures and talk about how the securities arrived in the portfolio and finally were sold. Then I just listen. It's a quick way to uncover beliefs, learn about their sell discipline, and see if what's going on is rooted in skill. If the portfolio manager can't explain what's going on, who can?

I enjoy Advisor Perspectives, keep up the good work.

Best Wishes,

Gregory N. Jones
Managing Principal
Altavista Wealth Management, Inc
Charlotte, NC

We'd Like to Hear From You!

What questions do you ask when you interview active managers? What is your process for seeing if what's going on is rooted in skill?

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