

## Road to Shanghai

Major reforms are needed to make China's rising star an international financial center

## Down But Not Out

UBS takes the top prize in our annual ranking of the biggest fund-of-hedge-funds firms

## King of Carolina

Regional bank BB&T easily outperformed its larger rivals during the credit crisis

# Institutional Investor

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Adapt or Die

**THE  
FALL  
OF AIG:  
THE  
UNTOLD  
STORY**

By WILLIAM D. COHAN

Former AIG CEO  
Hank Greenberg



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# PERSONAL PURSUITS

Where Finance Meets Fun



## Up Close and Personal

Joseph Cohen buys pieces that make him feel good.



Cohen's collection includes Sugimoto's *Napoleon Bonaparte*, 1999. *Unfilled* by Ellsworth Kelly, circa 1959

ELLSWORTH KELLY (UNFILLED), 1959; HIROSHI SUGIMOTO, *NAPOLEON BONAPARTE*, 1999

Walk into a certain financial services office at Manhattan's Park Avenue and East 55th Street, and you'll be confronted by a striking portrait of Napoleon by the Japanese painter Hiroshi Sugimoto. Turn left and you'll come face-to-face with one of British artist Patrick Hughes's famous "reverspective" paintings, a unique brand of optical-illusion-type 3-D art that appears to move with the viewer. Next, you'll take in a three-part series of kinetic

sculptures by Fré Ilgen, the Dutch artist best known for combining gestural painting and geometric sculpture; George Rickey, an American wind-motion sculptor; and Pedro De Movellan, an American sculptor known for his performance mechanisms — simple metallic and wooden pieces that move. Last, and perhaps most striking, is German photographer Thomas Struth's *Shanghai*, a fascinating portrait of Chinese life captured through a modern street front.

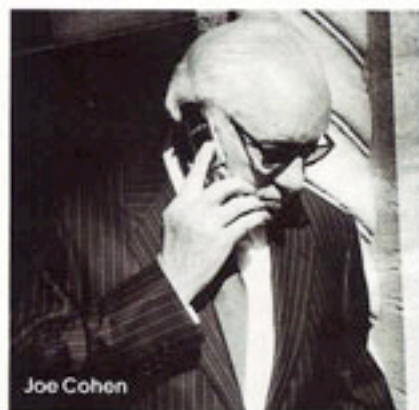
Welcome to the personal art collection of New York investment banker and venture capitalist Joseph Cohen. His office feels like a gallery, filled with breathtaking museum-quality pieces displayed in an intimate, security-guard-free setting.

Cohen, 72, is best known in the business world for building the small corporate bond brokerage firm Cowen & Co. into a global investment bank that became one of the top underwriters for emerging companies,



most notably in health care and technology, sectors in which Cowen analysts routinely ranked among the leaders. In 1998 the firm was acquired by Paris-based European banking giant Société Générale for \$540 million and renamed SG Cowen & Co. (Cowen, which was spun off by SocGen in a 2006 IPO, merged last year with New York-based alternative asset management firm Ramius.)

Following the acquisition in 1998, Cohen stayed on as chairman to manage the transition and then left in 2000 to form JM Cohen & Co., a family investment firm he runs with sons John, 41, and Jarrod, 43. At the new company, Cohen continues to invest in health care, telecom and technology, the mainstay of his previous firm.



Joe Cohen

At Cowen, Cohen helped put together a somewhat unconventional New York firm that combined traditional banking with the sponsorship and underwriting business of new industries such as high tech. His art collection, which totals more than 500 pieces, reflects a similar blend of old and new. For example, he has pieces by Tom Otterness — best known for his playful bronze sculptures that are seen in public spaces, parks, plazas and playgrounds — as well as paintings by Pablo Picasso.

Tying the pieces together is one simple theme: Cohen only buys artwork he likes being around or that makes him feel good. "It is an effort that gives me and those around me continuous pleasure," says the cautious yet laid-back Cohen. "I really enjoy being around all these pictures I am looking at." The entire collection can

# 27%

Growth of Sotheby's private auction sales in 2009 over previous year to \$472.6 million.

be viewed on the Internet and also in a book, *Shared Space*, edited by Ray Merritt.

Cohen, who studied business at the University of Pennsylvania's Wharton School, began collecting while he was in college. The building in which he attended a singing class had a small art shop that sold prints and picture frames. Encouraged by his singing teacher, he began buying prints he liked and could afford.

After Cohen married Barbara Weinberg in 1965, his collecting became more directed. Together with his wife, who studied art appreciation at Connecticut College, Cohen began to redefine his purchases to create a cohesive collection of mainly portraits, kinetic sculptures and old-school paintings. Often, he would trade parts of his collection to build strength in these areas. For example, when a painting by Orazio Gentileschi, a 17th-century Italian artist, became available, Cohen jumped at the chance to grab it in exchange for a Salvador Dali, a Cy Twombly (an American graffiti-style artist) and a Jean Arp (a German-French sculptor).

Although the financial markets are in the doldrums, the art market has stayed surprisingly resilient, says art dealer Howard Rehs of New York's Rehs Galleries. Those who own art don't want to sell — they think returns in the art world won't be good because "the returns in other places aren't too high," he says.

However, when important pieces of art become available, the bidding can very often become frenetic. In February, Alberto Giacometti's *L'Homme Qui Marche I* (The Walking Man I) sold for a record \$104.3 million, the highest price ever paid for a single work of art.

German art critic Walter Benjamin once said: "Ownership is the most intimate relationship one can have to objects. Not that they come alive, it is the collector who lives in them."

Cohen — who doesn't know how much he has spent on his collection and doesn't care what it's worth — couldn't agree more. For him collecting is not so much about ownership as it is about building a relationship with the art.

— Udayan Gupta