



Bloomberg

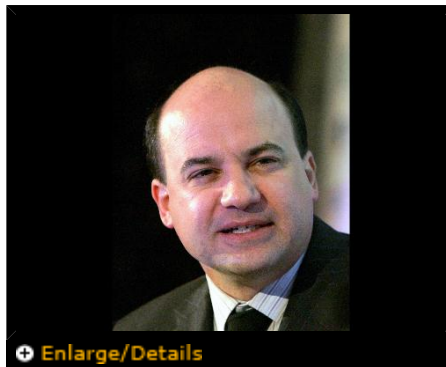
BLOOMBERG RADIO<sup>SM</sup> on bloomberg.com. Click here.

## news

[Exclusive](#)[Worldwide](#)[Regions](#)[Markets](#)[Industries](#)[Economy](#)[Politics](#)[Law](#)[Invest](#)[Science](#)[Opinion](#)[Spend](#)[Sports](#)[Muse Arts](#)[Audio/Video Reports](#)[Bloomberg Markets](#)

## Calpers Chief Investment Officer Russell Read Resigns (Update5)

By Dan Levy and Michael B. Marois

[+ Enlarge/Details](#)

April 23 (Bloomberg) -- [Russell Read](#) quit as chief investment officer at the California Public Employees' Retirement System, ending a two-year stint overseeing the largest U.S. public pension fund's \$244 billion holdings.

Chief Operating Investment Officer [Anne Stausboll](#) will replace him until a permanent successor is found, spokeswoman [Pat Macht](#) said in an interview today. Read, 44, will stay until June 30. He joined the fund, known as Calpers, in 2006.

Read, formerly the deputy chief investment officer for Deutsche Asset Management, led the retirement system as it sought to benefit from the booms in commodities, private equity and real estate, and was a critic of the fees reaped by

### Related Video and Graphics

[9/25 Read of Calpers 'Optimistic' About Hedge-Fund Rules](#)

[Magazine](#)[Special Report](#)**RESOURCES**[Bloomberg TV](#)[Bloomberg Radio](#)[Bloomberg Podcasts](#)[Bloomberg Press](#)

hedge fund manager. He also overhauled expanding investments into emerging

markets such as China and Russia.

“It came as a little bit of a surprise, especially the timing,” said Calpers board president [Rob Feckner](#) in an interview. “But I don’t think it’s any surprise that he was going to leave at some point.”

The pension fund in a statement said Read was departing to “pursue his long-standing interest” in investing in companies that are developing environmentally friendly technologies.

“I’ve had a long-standing interest in clean technology and environmental investing, and that’s something I’ve been able to propel at Calpers while I’ve been there,” Read said in a telephone interview. “What I didn’t anticipate two years ago is how quickly that sector would take off. So there are investment reasons and personal and environmental reasons why this is important to me.”

#### Commodities Move

Calpers last year placed its first direct investments in commodities and in February approved putting as much as 3 percent of its investments in raw materials, seeking to take advantage of soaring worldwide prices. In December, the fund agreed to shift more of its portfolio from stocks and bonds into private equity, real estate and securities that perform well when inflation accelerates.

Read steps down less than two years after replacing [Mark Anson](#), who resigned in January 2006 to become head of the U.K. retirement management firm Hermes Pensions Management Ltd. Read was Anson’s former boss when they worked at OppenheimerFunds, a mutual fund management firm.

‘Best Ideas’

#### More News

- [Apple Net Rises 36% on Laptops; Shares Fall as Forecast Misses Estimates](#)
- [Asian Stocks Retreat, Led by BHP Billiton, Newcrest as Oil, Gold Decline](#)
- [TCI Asks U.K. to Sanction Japan After J-Power Rejected Increase in Stake](#)

Anson led Calpers for six years and was recruited from within the pension fund after the previous chief, **Daniel Szente**, quit after just 17 months on the job.

``There's something healthy about leading investors from the private sector being able to make a contribution and doing public service in the public sector," Read said. ``But there is a danger to having long-standing public managers, in that you may not get the dissemination of the best ideas."

Calpers, based in Sacramento, earned a 19.1 percent return for the year ended June 30, 2007, according to its most recent annual report, compared with a gain of 18.4 percent on the **Standard & Poor's 500 Index** of stocks. The fund has assets of \$244 billion.

The fund had about 60 percent of its portfolio invested in public equity, about 24 percent in bonds and other fixed income, 8 percent in real estate, 6.7 percent in private equity and 1.4 percent in cash equivalents, the report said.

Read is a graduate of the University of Chicago, where he earned a master's degree in business administration, and has two master's degrees and a Ph.D. from Stanford University. Read, who oversaw a staff of 180 people, earned \$555,360 in salary last fiscal year and a \$403,070 incentive award.

Second to Leave

He is the second executive to leave the pension fund this year. In January, **Christianna Wood**, who ran the system's global equity department for five years, left to become chief executive officer of the hedge fund Capital Z Asset Management.

``In general there is a bit of a disconnect between the amount of assets entrusted

to public pension funds and the human resources they can call on internally to manage those assets," said [Orin Kramer](#), chairman of New Jersey's Investment Council, which oversees that state's \$77 billion pension fund.

"Calpers has done better than most others in addressing that problem, but it remains a structural challenge," said Kramer, a general partner at the hedge fund Boston Provident Partners LP.

To contact the reporters on this story: [Dan Levy](#) in San Francisco at [dlevy13@bloomberg.net](mailto:dlevy13@bloomberg.net); [Michael B. Marois](#) in Sacramento at [mmarois@bloomberg.net](mailto:mmarois@bloomberg.net).

*Last Updated: April 23, 2008 18:30 EDT*

**News tools**



[Email this article](#)



[Printer friendly format](#)

**Bloomberg.com** [NEWS](#) | [MARKET DATA](#) | [INVESTMENT TOOLS](#) | [TV AND RADIO](#) | [ABOUT BLOOMBERG](#) | [CAREERS](#) | [CONTACT US](#)  
[LOG IN/REGISTER](#)

©2008 BLOOMBERG L.P. ALL RIGHTS RESERVED. [Terms of Service](#) | [Privacy Policy](#) | [Trademarks](#) | [Site Map](#) | [Help](#) | [Feedback](#)  
[Advertising](#) | [日本語サイト](#)