



**What path led you to Portfolio Manager at Needham Funds?**

I joined Needham Asset Management in 2005 and became a portfolio manager at the start of 2008. I am an MBA graduate of Columbia Business School and have a Bachelor of Arts in Economics and Latin American studies from Bucknell University. Following graduation from Bucknell in 1993, I spent a year in Bolivia as a Fulbright Scholar where I evaluated economic development projects. It was a time when privatizations were occurring across Latin America and it encouraged me to pursue a position in investment banking at Merrill Lynch upon my return to New York.

After 8 years at Merrill, I joined my family business, which focused on manufacturing and distribution of durable medical equipment and external orthopedic products. The operational experience I gained helping to manage the business and its ultimate sale prepared me to return to Wall Street and invest in small capitalization stocks at Needham.

**What made you want to work for an employee-owned asset manager?**

I was very excited to join Needham Asset Management, as it was an opportunity to pursue a career in investment management. After an early career in investment banking at Merrill Lynch where I worked in both M&A and relationship management departments, I had a strong interest in switching to the investment side of Wall Street where I could evaluate numerous industries and companies.

Unlike investment banking, which is transaction-based, the opportunity at Needham allows for a much longer-term process of evaluation and outcomes.

**What is the most important criteria for your investment style?**

The single most significant quality in my investment process is good management. I spend a substantial amount of time getting to know the management teams of our investments by meeting with them both in New York and at their headquarters. At Needham, we view ourselves as asset allocators into our portfolio companies, and we recognize that a portfolio company's strong leadership is critical to successful long term investing. We also like to see significant equity ownership by senior management so that interests are aligned with shareholders.

**How do you enter and exit positions in small capitalization companies?**

Investing in small cap companies requires a different approach than other larger-cap investments. Again, management is critical to the investment process, but small cap companies can be more susceptible to greater volatility and lower trading volumes, and these variables can impact short-term stock performance. I like to buy stocks when they are "fat pitches," and I will trim positions as they approach price targets and as trading volumes allow me to lighten the Fund's exposure.

Needham Small Cap Growth Fund remains a tax-advantaged fund with relatively low turnover; however, smaller capitalization companies may not always allow the Fund to achieve long-term tax treatment and requires me as the manager to be more active in trading.

**How do you manage shorting in the Needham Funds?**

Needham Funds have the unique ability to hold short positions. We balance our short ideas across three philosophies:

company-specific shorts, industry shorts and macro risk.

We look for shorts in mismanaged and overpriced stocks where we think we can make money. We also use company-specific shorts as a hedge to long positions when we feel downside risk exists, and as a result, this approach can help us achieve long-term capital gains in the Funds' long positions. We also will short both industry and market ETFs as a way to achieve broad short exposure against the overall portfolio.

**Outside of investment management, what are your hobbies?**

I spend a significant amount of time in the pool as I played Division I College Water Polo at Bucknell University, and I was a High School All-American swimmer at Greenwich High School in CT.

Outside of the pool, I am an avid golfer and attempt to ski during the winter months. Staying active helps to balance my work life, and you never know who you might meet on the golf course or ski lift.



The information presented in this commentary is not intended as personalized investment advice and does not constitute a recommendation to buy or sell a particular security or other investments. Past performance is no guarantee of future results.

*This message is not an offer of the Needham Growth Fund, the Needham Aggressive Growth Fund or the Needham Small Cap Growth Fund. Shares are sold only through the currently effective prospectus. Please read the prospectus carefully and consider the investment objectives, risks, and charges and expenses of the Fund carefully before you invest. The prospectus contains this and other information about the Fund.*

*A copy of the prospectus are available at [www.needhamfunds.com](http://www.needhamfunds.com) or by contacting the Fund's transfer agent, U.S. Bancorp Fund Services, LLC at 1-800-625-7071.*

All three of the Needham Funds have substantial exposure to small and micro capitalized companies. Funds holding smaller capitalized companies are subject to greater price fluctuation than those of larger companies.

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