

# Buyouts

December 17 2019 • buyoutsinsider.com

## DuPont Capital ramps up private equity activity

*DuPont Capital, which manages the DuPont Pension Trust as well as alongside third-party institutional capital, has been on a steady pace through 2017 and 2018, writes [Chris Witkowsky](#)*

DuPont Capital is ramping up its private equity investing now that it's operating with a nearly full staff, according to Chris Pettia, portfolio manager in private markets with the group.

DuPont Capital, which manages the DuPont Pension Trust as well as third-party institutional capital, has been on a steady pace through 2017 and 2018, but doubled its activity this year, Pettia said. "While market performance has been disappointing in other asset classes like fixed income and hedge funds, groups are increasing their allocation to private equity, and that is a trend here as well," Pettia said. "We expect that trend to continue."

DuPont Capital had about \$1.9 billion in private markets assets as of the fourth quarter of 2018, according to the group. The firm's total AUM is \$26.3 billion. Since 1989, DuPont Capital committed more than \$7.8 billion to more than 330 private equity investments, the group said.

The low interest rate



Mistras

environment makes it difficult for investors to hit their annual return targets using only traditional assets. This has led investors of all sizes to view alternative assets like private equity as a necessary and critical component of their portfolio, Pettia said.

Activity will likely not mean adding many new managers to the portfolio, he said. DuPont Capital may look at three to four new managers, but will cut bigger checks to existing managers the group supports.

DuPont Capital generally looks for managers with funds generally under \$1 billion. The group looks for managers with valuation discipline, in-house operations groups and industry focus, Pettia said. "We like groups that have gone through market cycles before and groups that are experts in the industries they invest in," he said.

The big challenge as a limited partner is differentiating managers at a time when most managers show fairly strong returns, Pettia said. "All these managers look pretty good right now. There hasn't been any significant downturn to shake out the lesser-skilled managers," Pettia said.

DuPont Capital's private markets group is led by Antonis Mistras, managing director in alternative investments; Directors Chris Pettia and Daryl Brown; Jon Hum, senior analyst; and analysts Joseph DeYonker and Dawit Kassa.

*Update: This story was updated to include more information about DuPont Capital's AUM.*