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The following article appeared in a number of Hedge Fund Industry newsletters and websites:

“My Life in Hedge Funds”

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When did you start your career in the Hedge Fund Industry?

I started my career in 1989 when I joined Rothstein Kass, an accounting firm that foresaw the growth of the hedge fund industry. At Rothstein Kass we saw the potential in providing fund administration services. RK Consulting grew rapidly into a leading provider by marrying a professional services staff with technology. The same opportunity was the driver in my joining the VITEOS Fund Services team.

Give two examples of changes in the past 20 years relating to the fund administration business?

In the early days there wasn't a lot of oversight or regulations in the industry and as a service provider there were grey areas that needed to be made black and white. Now 99% of what we see in the way of accounting, tax and compliance are standard. Second, service offerings have changed over the years. Today clients look to administrators for solutions to their operational and reporting needs.

Since the end of 2008 we have seen market turmoil and the Bernie Madoff fraud. What impact has this had on fund administrators?

Clients and investors are now demanding greater accountability and reporting from the administrators. Administrators are examined to see if they truly are an independent third party. Pricing policies, internal controls, SAS70 audits, and technology infrastructure are 'mission critical' in today's environment, not to mention the ability to address the ever increasing complexity of securities and investment strategies.

What changes in the future do you see for the fund administration business?

There is now something like 200 administrators. The obvious first answer would be consolidation, which we are already seeing in the industry. Second, administrators will need to offer a comprehensive solution by offering middle office outsourcing, risk reporting, or compliance assistance. Lastly updating legacy technology and re-engineering of work flow. Those that do not recognize the importance of these changes will struggle and ultimately open the door for a new breed of administrators that have a business model built around technology, service offerings and quality professional staff.

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