



PROFILE: PRIEUR DU PLESSIS

Traversing the investment landscape

And now also international diplomacy...

VETERAN INVESTMENT PROFESSIONAL – and chairman of the Plexus group of companies – Prieur du Plessis could be considered a workaholic. He’s probably not, making time for other activities. But that’s the impression you get. For example, he has no problem agreeing to a 7am interview. “I’m an early riser. It’s already late in the day for me,” he quips as he shrugs off the apology for the early morning call.

Du Plessis is well known in the industry through prolific writing on investment matters and more recently his international investment blog: Investment Postcards from Cape Town. He also pioneered a number of unit trust performance rankings.

But the latest development in his extensive career is being appointed Honorary Consul of Slovenia for South Africa. Diplomacy seems far removed from running

what’s essentially a specialist investment group, but Du Plessis says it’s not that different from what he does at Plexus: finding and making strategic partnerships overseas.

But how did the post arise?

“I started travelling to Central and Eastern Europe a lot about three years ago and visited Slovenia (formerly part of Yugoslavia). As they say, it’s the best-kept secret in Europe, with areas of outstanding natural beauty, from the Alps to tranquil lakes and fairy tale forests. It’s a small country – 20 273sq km and a population of just more than 2m – so you get to know people quickly.”

Du Plessis met officials from Slovenia’s foreign affairs department, who were a little miffed that it was the only European Union country with no diplomatic representation in SA. They approached Du Plessis and offered him the post for the Consulate Slovenia is opening in Cape Town.

Du Plessis says one of his first initiatives will be to take a South African business delegation to Slovenia. His wife, Isabel Verwey, former television producer and presenter, is also involved in a joint project between the countries through Proud Partners, an organisation that uplifts previously disadvantaged communities.

The first surprise reading through Du Plessis’ CV is that his first academic qualification was a BSc in quantity surveying. A little off the path of investment management?

“I had absolutely no idea what I should be doing career-wise. I selected quantity surveying because, at that time, it was the highest paying profession. It has never been since. However, I did a few years of quantity surveying and when I was 26, I was offered a partnership in a leading firm.”

But his first love was investment. He bought his first shares (in the old Trust Bank) at the age of 12. “That was the time of the 1969 crash and investment was seen as involving a lot of risk. But I reached a point when I realised investment was what I should be doing, so I started studying part-time for an MBA to bridge the gap into investment.”

On completing his studies he was offered a position with Sanlam. “They weren’t quite sure what to do with me. I started off as a

VITAL STATISTICS

Age: 54

Marital status: Married to Isabel Verwey, with a son and daughter

Lives: Stellenbosch

Qualifications: BSc (quantity surveying); Hons B (B&A) cum laude; MBA cum laude; DBA (Doctor of Financial Management)

Worst management decision: “Combining with a larger financial services group, learning that the ‘merger’ was fallacious”.

mining analyst, specifically to look at De Beers. That was an interesting one, because the company didn’t share information with anyone. You had to build up information on the outside to put the pieces in place.”

From there Du Plessis started what would turn out to be the basis of much of what Plexus does: forming strategic alliances and contacts overseas. Frustrated with the corporate world, he resigned from an executive post as GM: portfolio management in 1995 and founded Plexus.

“We started off doing what I think many portfolio managers do – looking after money for high net worth individuals. It was a bit quiet,

then something very interesting happened. We had appeals from financial advisers to help them with this new industry called unit trusts. There were new funds being launched, linked investment service providers, and the advisers needed help. That’s when we identified a niche in the market.”

Plexus first launched what’s become the authoritative Plexus Survey, a quarterly analysis of the consistency of performance of unit trust management companies. That was followed by the Plexus Offshore Survey, the Plexus Unit Trust Indices and the PlexCrown Fund Ratings.

The business took a new turn when Du Plessis met American hedge fund guru John Mauldin. Through Mauldin he was introduced to Research Affiliates, a California-based company that developed

Fundamental Indexing – indexing unlike most that’s weighted according to the size or market capitalisation of shares. Instead, the index is weighted according to sales, dividends, cash flow and net assets. Plexus now has an exclusive licensing agreement to manage and distribute the enhanced Fundamental Index methodology in the pan-African area.

When not in the office, Du Plessis spends a lot of time on the road as a committed – but as he says, not competitive – long-distance runner. He’s run the Two Oceans ultra marathon a number of times and more standard marathons than he can remember.

It’s a bit of a west coast, east coast thing. But what about the Comrades Marathon, regarded as the mother of endurance running? Du Plessis says he doesn’t really want that in this profile but admits he did once enter the Comrades – and bailed. “Things just weren’t right on the day,” he says.

Fortunately, his MD – Paul Stewart – is

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also a serious road runner (having completed the Comrades twice). It’s just as well. Du Plessis sometimes hauls him out at lunchtime for a run so they can discuss business. For a non-runner, seeing Du Plessis coming through the office, track shoes in hand, must be an intimidating sight.

Beside his “favourite toy” – a black Harley-Davidson – Du Plessis also lists “scripophilia” as recreation. Scrip what? “It’s collecting rare share certificates. I follow a specific theme: fraud, or where fraud has taken place. Like Enron, or those businesses sold to investors when the business didn’t exist.” He even has some shares on the theme belonging to SA companies. Let’s hope there aren’t many more to collect.

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