



John Koudounis

**EDITORS' NOTE** John Koudounis assumed his current post in 2016. Most recently, he served as President and Chief Executive Officer of Mizuho Securities USA, Inc. (MSUSA). Prior to joining MSUSA in 2008, he was Managing Director and Head of Fixed Income for ABN AMRO North America. He received his B.A. in International Diplomacy, Foreign Affairs and Economics from Brown University.

**COMPANY BRIEF** Calamos Investments (*calamos.com*) is a diversified global investment firm offering innovative investment strategies including alternatives, multi-asset, convertible, fixed income, and equity. The firm offers strategies through separately managed portfolios, mutual funds, closed-end funds, private funds, and UCITS funds. Clients include major corporations, pension funds, endowments, foundations, and individuals, as well as the financial advisors and consultants who serve them. Headquartered in the Chicago metropolitan area, the firm also has offices in London, New York, and San Francisco.

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# Capitalizing on Disruption

An Interview with John Koudounis,  
Chief Executive Officer, Calamos Investments

## Would you provide an overview of the history and heritage of Calamos Investments?

Calamos Investments is an iconic global brand. John P. Calamos, Sr., founded the firm during the 1970s. He pioneered strategies in convertible securities, which were not a well understood asset class at the time. He saw what most others didn't – that actively managed convertible securities could provide unique opportunities to enhancing returns and managing risk for his clients.

Through the years, John expanded the firm's capabilities and client base. He always took a long-term, global, client-centric approach. Today, Calamos Investments is a global asset manager with a wide range of investment solutions, including convertible securities, equities, fixed income, and alternatives. We offer institutional portfolios, open-end mutual funds and closed-end funds, and UCITS funds for clients outside the U.S.

John Calamos brought me aboard as Chief Executive Officer in 2016 to help take the firm to its next level. I had known him for many years and had always admired his entrepreneurial spirit, integrity, and vision.

## What have been the keys to Calamos' consistent strength and leadership in the industry?

Calamos has always been committed to putting our clients first. Over the decades, the global financial markets have continually

evolved, and Calamos has always been at the forefront of these trends. We launched one of the first convertible mutual funds and one of the first alternative funds for individual investors. The firm has also been an innovator in the closed-end fund industry, with funds that blend different types of assets to meet a range of investor needs.

## As you assumed the leadership of Calamos in 2016, what were your key priorities, and what did you see as the greatest opportunities for growth?

One of the most exciting things about this business is the fast rate of change and disruption. I'm always looking for ways to capitalize on this disruption. When I was the CEO of Mizuho Securities USA, there was a lot of opportunity in the wake of the financial crisis. My team at Mizuho navigated the disruption, closing many deals and establishing the firm as a Wall Street powerhouse.

Today, I'm very excited about the global opportunities for Calamos. Disruption in our industry continues to create new growth opportunities. One area I'm really excited about is the private equity space, specifically in the insurance sector. I see powerful synergies for forward-thinking asset managers by putting together strategic asset classes. Calamos Investments can address growing demand for risk-managed fixed income and liquid alternative strategies, and we can provide access to differentiated alternative strategies through a strategic partnership with the newly formed private equity firm, EXIN Partners.

## How do you define Calamos' competitive advantage?

We are innovators, and we see opportunities others miss. In the 1970s, John Calamos saw the opportunities in convertible securities that others failed to see. That same entrepreneurship guides my business strategy for the firm today.

## How much of a focus will global growth be going forward?

Global expansion is central to Calamos Investments' strategic growth plans. Over the years, Calamos Investments has expanded thoughtfully and deliberately to respond to global demand for our investment capabilities. We've been investing in non-U.S. markets since the 1980s. As we have grown our global client base, we launched a line of UCITS funds for non-U.S. investors in 2007 and opened an office in London in 2009.

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I'm also the co-founder of EXIN Partners, a global investor based in the Netherlands focused on defining the next sustainable growth cycle in the insurance, reinsurance, asset management, and fintech sectors. We aim to improve risk-adjusted returns in our portfolio companies from greater operational efficiencies, higher margins, more stable earnings, and lower correlation risk through our deep sector experience and use of proprietary intelligent data.

EXIN Partners recognizes the need for a more comprehensive use of insurance company attributes and better returns from insurance capital. We are building an asset-agnostic financial services ecosystem via a unique asset-gathering operating model, spanning life and pensions, specialty and general insurance, distribution, and asset management.

EXIN Partners and its portfolio companies make extensive use of proprietary intelligent data, artificial intelligence, machine learning, and mobile technology to optimize operations and capital efficiency, lower the cost of acquisition, and ultimately improve the customer experience through innovative products and services.

**How hard is it to make long-term investments when there is so much pressure for short-term results?**

Balancing long-term growth objectives and short-term results can be challenging, depending on the circumstances, but I believe

Calamos is in a good position in this regard. In February, Calamos Investments became a fully private company, similar to the vast majority of asset managers. When I became CEO in 2016, I directed an extensive analysis of our corporate structure. Based on that analysis, it became clear that a fully private structure would allow us to manage the business with the same long-term view that we apply to our investment approach. By eliminating the distraction of the market's increased focus on short-term metrics, we can be singularly dedicated to improving our key performance areas.

**Is there innovation taking place in the financial sector and, for Calamos, where is innovation occurring?**

One of the reasons I enjoy working in the financial sector is that there are always new opportunities for visionary companies. As I said earlier, one of the most exciting opportunities I see today for Calamos relates to the synergies between asset managers and the insurance industry.

**Would you discuss the talent of your management team and your efforts to attract the next generation of leaders for Calamos?**

I have a great deal of confidence in my management team. Over a short period, we've taken strides in moving the business forward. I'm leading a group that includes seasoned industry veterans as well as an impressive group

of up-and-comers. When I became the CEO of Mizuho Securities USA, I was the youngest CEO on Wall Street. That experience has made me a big believer in rewarding excellence and giving people opportunities to take the bull by the horns and grow their roles.

Shortly after I arrived, we brought on a new Chief Financial Officer, Thomas Herman. We have also added to our investment team. Matt Freund joined us as a Co-Chief Investment Officer and Head of Fixed Income Strategies. Matt brings an impressive track record from USAA Investments, where he was Chief Investment Officer with responsibility for more than \$140 billion in AUM. We also added several other experienced fixed income investment professionals and a director of research. These hires position us well for the growth opportunities I see for the firm.

**As you reflect on your first year leading Calamos, what are you most proud of, and what excites you about the future?**

I'm thrilled to be a part of the Calamos legacy, working alongside John P. Calamos, Sr., one of the greatest investing minds of our generation. Building on this foundation, I am confident that the future holds many opportunities for the firm to capitalize on the evolving global markets. Over the past year, we've laid the groundwork for the continued transformation of our business, while maintaining our focus on the best interests of our clients. ●

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