Daniel Seth Loeb is the founder of the New York based hedge fund Third Point LLC, which currently (as of this writing) has $11.2B AUM.

The outspoken and prominent value investor founded the hedge fund in 1995 and is currently responsible for the business activities of Third Point. He is also the managing member and chairman of Third Point, LLC. At present, Loeb is on the board of Yahoo and the largest shareholder of the company.

Dan Loeb is known for his explicit public letters regarding the performance and actions of other financial executives. His mocking letters are enjoyed by many (including myself) for his entertaining yet thought-provoking approach of addressing and disapproving a certain serious issue.

His letter to Obama supporters is a good illustration of his blunt and sardonic ways as he begins the letter by referring to them as ‘battered wives’. It was especially interesting, since Loeb supported the President.

Daniel Loeb, commonly referred to as Dan Loeb, had a keen interest in stocks since the age of 5 and actively traded before even graduating from high school. He attended the University of California for two years before transferring to Colombia University. He graduated with a degree in Economics in 1984 from Columbia.

Over the years, Loeb has been a member of numerous organizations, driving them to success with his financial market expertise and astuteness. He began his career right after graduation and started as an associate with the private equity, E.M. Warburg Pincus & Co.

During the brief period of 1991 to 1993, Loeb worked as a senior vice president at Jefferies & Co. Moreover, he served as a director of Massey Energy and Ligand Pharmaceuticals. Before the sale of Radia Communications to Texas Instruments in July 2003, he was the company director. Before the formation of Third Point in 1995, Dan Loeb was a vice president of High
Yield Sales at Citigroup.

Dan Loeb Third Point Hedge Fund Letters

Third Point-Q4-2012-Investor-Letter
Third-Point-Q3-2012-Investor-Letter
Third-Point-Q2-2012-Investor-Letter
Third-Point-Q1-2012-Investor-Letter
Third-Point-Q4-2011-Investor-Letter
Third-Point-Q3-2011-investor-letter
Third-Point-Q2-2011-investor-letter
Third-Point-Q1-2011-investor-letter
Third-Point-Q4-2010-investor-letter
Third-Point-Q3-2010-investor-letter
Third Point-Q2-2010-investor-letter
Third-Point-Q1-2010-investor-letter
Third-Point-Q4-2009-investor-letter
Third-Point-Q3-2009-investor-letter
Third-Point-Q2-2009-investor-letter
Third-Point-Q4-2009-investor-letter
Third-Point-Q4-2008-investor-Letter
Third-Point-Q3-2008-investor-Letter
Third-Point-Q2-2008-investor-Letter
Third-Point-Q1-2008-investor-Letter
Third-Point-Q4-2007-investor-Letter
Dan Loeb's INVESTMENT PHILOSOPHY

Dan Loeb’s investment philosophy is value based. He believes in merging philosophy with investment in order to gain an upper hand in the world of financial market.

He believes in investing in companies, not based on the market capitalization, but based on the fundamental analytical framework of the company along with legal, regulatory and accounting analysis. The entire concept of value investing, adopted by Loeb, is to be opportunistic and invest in companies which are not discovered by others.

His investments are mostly event-driven, and Loeb takes advantage of companies with financial problems investing in distressed debt, special situations, and spin offs. After careful analysis of the distressed companies, he invests in them given that they have growth and profitability potential once they are out of the temporary financial crisis.

His investment philosophy is quite similar to that of Joel Greenblatt, which is not surprising, as Loeb considers Greenblatt’s book *You Can Be a Stock Market Genius* to be the best book he has ever come across.

Loeb benefits from rising markets by investing in those company stocks which have not yet completely financially matured or reached its full potential. To him the prospect for profitability lies in the fact that other investors are unaware or ignorant of such opportunities.

When talking about business, Loeb emphasizes the guiding principles of making his investors a priority, and firmly believes in putting their interests before his own personal motives. This is evident in the fact that he just recently decided to close his hedge fund to new investors.

To Loeb, teamwork, creativity, honesty and transparency are integral components of creating a profitable business culture. According to him, the individuals within the company should work together in order to realize company objectives and actively work as one towards the common goal of profitability.

Dan Loeb is a firm believer of free-market capitalism. According to him, government intervention and unpredictable government regulations have a great amount of impact on individual companies, industries and the economy as a whole. Loeb highlights the need for free market capitalism for proper resource allocation, growth, development of job opportunities and creation of innovation.

Dan Loeb's CURRENT PORTFOLIO

Dan Loeb’s current portfolio can be viewed [here](#), and his latest stock picks [here](#).

Dan Loeb's BOOKS
Dan Loeb has not authored any books, but his favorite investment books are listed below:

**Reminiscences of a Stock Operator** by Edwin Lefèvre is referred to as a ‘classic’ by Loeb. With the biographical account of Jesse Livermore, the book perfectly encapsulates the observations of Lefèvre regarding investing, speculating and the nature of the financial market. The story illustrates the ups and downs of the character Livermore.

**You Can Be a Stock Market Genius** by Joel Greenblatt is another one of Dan’s favorite books. He states that the book is “probably the best book ever.” The best-seller covers various value-investment concepts and elaborates on the notion of investing in companies indulging in spin-offs, mergers, risk arbitrage, etc. It is worth-while to note that the investment philosophy of Greenblatt and Loeb are quite similar and the book can be believed to be an inspiration for Loeb in developing his investment philosophy.

**Financial Shenanigans** by Howard Schilit highlights the manipulative and deceiving tricks adopted by the management in the past, which will continue to be used in the future as well. The book is on accounting but instead of focusing on the simple basics, it adds an interesting twist by focusing on the various manipulations used by companies to alter the income statement, and the cash flow statement to serve their own selfish purpose.

**The Art of Short Selling** is by Kathryn F. Staley and is another one of Loeb’s favorites. The theme of the book is quite similar to that of Howard Schilit’s and elaborates on the discovery of the tricks used by management in manipulating the financial statements, and utilizing this in order to short the company. This is also a great book even if you are not a short-seller like myself. It teaches you

**Dan Loeb’s QUOTES**

“I am sure, if we are really nice and stay quiet, everything will be alright and the President will become more centrist and that all his tough talk is just words; I mean he really loves us and when he beats us, he doesn’t mean it; he just gets a little angry,”

“Perhaps our leaders will awaken to the fact that free market capitalism is the best system to allocate resources and create innovation, growth and jobs.”

“It is time for you to step down from your role as CEO and director so that you can do what you do best: retreat to your waterfront mansion in the Hamptons, where you can play tennis and hobnob with your fellow socialites,”

“Brendan, it’s time for you to put your money where your mouth is. If you are sincere in your statement that a premium bid for the company is not worthy of discussion, then we must insist that you demonstrate your conviction by acquiring shares.”

**Dan Loeb’s LETTERS**

**Letter to Obama Supporters**
Letter to Intercept
Letter to Penn Virginia-1
Letter to Penn Virginia-2

Letter to Pogo

Letter to Nabi Pharma
Letter to Horizon
Letter to Salton Corporation
Letter to Star Gas
Letter to Western Gas
Letter to Ligand

Dan Loeb's NEWS

Latest news:

[gnews search="Dan+Loeb"]

2011:

Energy Bull Dan Loeb Just Bought A Massive Chunk In El Paso And Now It's His Biggest Stake

Dan Loeb learns email is forever

Special Report: OMG! Dan Loeb said what?

2010:

Dan Loeb to Obama’s Hedge Fund Supporters: You Are Like a Battered Wife

Daniel Loeb, Hedge Fund Manager, Blasts Obama Administration's 'Redistribution Of Wealth'

A few hedge funds standout in a ho-hum year

2009:

Third Point’s Loeb Sells 7-Foot Egg At Auction (Limited View)

Third Point Dumps Hard Lock-Up, Annual Redemptions

Intellectual Activism's Impact On General Growth

2008:

Another hedge fund backing Icahn on Yahoo
Hedge funds flex political muscle in election

Hedge funds chalk up more losses, big names suffer

TXCO Resources Reaches Settlement Agreement with Dan Loeb’s Third Point LLC

Vulture capitalists circle Yahoo

2007:

Third Point reportedly plans fund IPO in London

Most hedge fund strategies lost money in August

Loeb Quits Massey Board, Decries ‘Blankenship Discount’

2006:

Third Point wants to oust Nabi CEO from board

Value Investors Speak Out

Activist managers get more flies with honey

2005:

Hedge fund sets ultimatum for Walter

Ligand settles suit, sets meeting

U.S. Hedge Funds Tackle Malaria ‘Emergency’ in Africa

America's biggest hedge funds

Salton bondholders expect bankruptcy, form committee (Limited View)

2004:

WEDDINGS/CELEBRATIONS: Margaret Munzer, Daniel Loeb

2003:

INVESTOR'S LETTER RIPS WARNACO (M) -WARNACO INVESTOR IS FED UP

Third Point Demands Seat on Warnaco Board, Resignation of Chairman Buchalter and That Financial Advisors are Retained to Maximize Value.
2000:

Conseco seeking time to pay debts

VIDEO

Dan Loeb (Full video below)