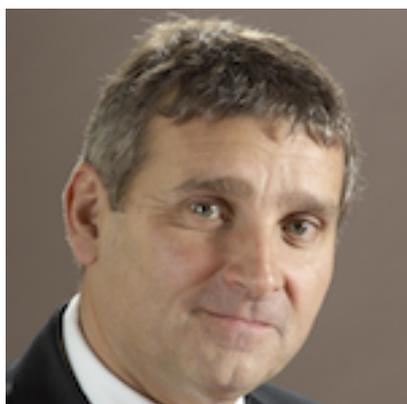


The Interview - Tony Parry, Premier Group: "More local authorities will turn to 'green' waste treatment companies and in particular those with facilities to turn waste into energy"



Tony Parry, executive director of Premier Group (Isle of Man), says the New Earth Solutions Recycling Facilities Investment Sub-Fund, launched in partnership with environmental technology specialist New Earth Solutions, has returned 25.8 per cent since July 2008 by investing directly and indirectly in the development and ownership of recycling facilities in the UK.

GFM: What is the background to your company and funds?

TP: Premier Group (Isle of Man) is the successor of a fund group established in 2001 and is responsible for designing, distributing and managing a range of investment funds to investment intermediaries and financial institutions throughout the UK and international markets. Since formation, Premier has successfully launched a wide range of investment vehicles and innovative financial solutions in conjunction with a number of specialists and leading fund managers.

Having the capacity to move quickly and bring products to market on time has enabled Premier to build funds under management of approximately \$700m. In early 2009 the group was accepted as both a regulated manager and regulated promoter under the supervision of Isle of Man's regulator, the Financial Supervision Commission.

In doing so Premier became the first company to hold both manager and promoter licences which further enhances their reputation and commitment to the Isle of Man, itself considered to be a leading offshore jurisdiction for financial services companies and investment schemes. The group is licensed by the regulator to provide collective investment scheme and corporate services.

The company's directors consist of Michael Richardson, an actuary who is a former chief executive of Scottish Life International and chairman of Clerical Medical International; myself, a chartered accountant and former managing director of Canada Life International; John Bourbon, chairman of the (UK) Compliance Institute and formerly managing director of the Cayman Islands Monetary Authority and head of supervision at the Isle of Man Financial Supervision Commission; and David Whitaker, an actuary and formerly a director of Clerical Medical Financial Services and Axa Sun Life.

Premier has a team of highly experienced distributors who service a financial intermediary distribution network covering the UK, Europe, the Middle East, East Asia, Africa and many emerging

markets.

The funds launched by Premier to date include open-ended investment companies and protected cell companies designed for qualifying investors, specialist funds and an exempt unit trust. The funds offer a wide range of alternative investments including hotels, waste re-cycling and recoverable energy facilities, hedge funds, traded endowments and property, funds that invest in a combination of these assets and a managed fund from an Isle of Man-based stockbroker. The range is completed by an umbrella fund offering an investment into a combination of these different assets with an enhanced allocation.

The Premier International Opportunities Fund, which was established just over two years ago, invests into the New Earth Solutions Recycling Facilities Investment Sub-Fund, which aims to provide long-term capital growth by investing directly and indirectly in the development and ownership of recycling facilities in the UK. The fund targets industrial facilities for the processing and treatment of waste, including waste recycling and the preparation and conversion of waste to energy.

The New Earth Solutions Recycling Facilities Investment Sub-Fund invests in waste treatment facilities on a joint venture basis with the New Earth Group. The schemes in which the fund invests are managed and promoted by a management team from New Earth with a mix of sector insight and relationships, a track record of developing entrepreneurial businesses, financial acumen and operational expertise. The fund invests with the security of freehold land or long leasehold interests, property and plant assets and with the benefit of waste supply and energy sale contracts.

GFM: Who are your key service providers?

TP: The service providers to the New Earth Solutions Recycling Facilities Investment Sub-Fund are BNP Paribas Trust Co (IOM) as custodian, GVA Grimley as fund valuer, and IFG Fund Administration (IOM) as administrator. The auditor is Ernst & Young and legal advisers are Cains Advocates in the Isle of Man and Burgess Salmon in the UK.

GFM: How and where do you distribute the fund? What is the split of your assets under management between institutional and private clients?

TP: The fund is distributed via UK IFAs and global financial advisers using Premier's own tied sales force network. In addition we have a number of 'sub-networkers' who also distribute the Premier funds but are not tied to the group. As an Isle of Man Qualifying Investor Fund, it is only available to qualifying investors, while a separate institutional fund has just been launched. The current split is 95 per cent of assets held by private clients and 5 per cent by institutions.

GFM: What is your approach to managing risk?

TP: Hedging arrangements are utilised to manage risk, such as currency hedges in place for the US dollar- and euro-denominated sub-funds.

GFM: How has your recent performance compared with your expectations and track record?

TP: The fund has returned 25.8 per cent since launch in July 2008. Importantly, the volatility on the fund is 0.35 per cent.

GFM: What opportunities are you looking at right now?

TP: New Earth is currently in negotiation to secure further waste contracts with a growing number of UK borough and county councils. In addition, technology is being introduced which will enable energy from waste production to be taken forward. This technology allows generation of low-carbon energy via the application of advanced thermal conversion technologies.

GFM: What events do you expect to see in your sector in the coming year?

TP: We see increasing pressure on local authorities to divert more waste away from landfill – indeed, if they do not do so they face increasing fines over the coming years as a result of EU directives. We anticipate that the new UK coalition government will become even more determined to ensure that energy is created from waste and divergence targets are met and exceeded.

GFM: How will these developments affect your own portfolio?

TP: More local authorities will turn to established ‘green’ waste treatment companies such as New Earth Solutions and in particular those that can offer additional facilities to turn waste into energy. New Earth scores highly on all counts and the fund proposition will look even more compelling as demand increases for socially responsible investments that help to solve pressing problems while offering good returns.

GFM: How do you view the environment for fundraising over the coming 12 months?

TP: Fundraising has been difficult over the last few years, but when you get funds with the performance track record and ongoing prospects of New Earth, it becomes easier as momentum builds.

GFM: Do you have any firm plans for further product launches?

TP: Premier has a number of new fund ideas that are being worked on at the moment. Being a niche player we need to ensure our fund range is both different and attractive as an investment proposition, and our objective is to grow our business significantly over the coming years.

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