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Prufrock: You can't beat a lucky breeder

Edited by Matthew Goodman

THERE'S just one rule that Prufrock has learnt when venturing into the world of horse racing: the bookie always wins.

But there are other ways of making a bit of money from the sport of kings. Just ask the folk at Breeding Capital, a fund that, regular readers may remember, launched nearly two years ago with Christopher Holdsworth Hunt, the co-founder of City stockbroker Peel Hunt, as its chairman.

The fund seems to be doing pretty well so far. Three of the horses it acquired for 610,000 guineas were sold on for 2.1m guineas, a healthy return by anybody's standards.

That should please those wily punters who backed it. The investors include Sir David Sieff, of Marks & Spencer fame, Tim Bunting, the former Betfair chairman, Sir Roger Gibbs, City grandee and former director of Arsenal Football Club, and top trainer John Gosden, according to Companies House filings.

Breeding Capital was the brain-child of former jockey and tech investor William Sporborg and he tells me that progress has been so good the team is getting ready to embark on the launch of not one but two follow-up funds.

They are tentatively named Breeding Capital II and Breeding Capital III; admittedly not the most imaginative names they could have dreamt up but, as the old adage puts it, if it ain't broke . . .

The original fund raised £3.25m, but the team, which also includes Simon Marsh, co-founder of the Watership Down stud farm, hope the two new ones will attract about £4m.

The funds are covered by the Enterprise Investment Scheme, and it is apparently more tax efficient to run two funds of £2m each than one single entity.

If they can raise the full amount, Breeding Capital could be off to the races.