

US Growth Trust: Invest in the US

Responding to the public, the co-managers of the US Growth Trust explore the power of long-term thinking, the entrepreneurial spirit driving American innovation, and how investment trusts can open doors to exclusive growth opportunities like private companies.

Your capital is at risk. Past performance is not a guide to future returns.

Speaker 1: Perfect investment vehicle? For me, it would be a 'Put your money in and forget about it for 10-20 years'.

Gary Robinson (GR): Have we got an investment vehicle for you!

If you want to build wealth over the long term, it makes sense to allocate your money to where the growth is. And we think the growth is in America, and we think the growth is in both public and private companies. And that's exactly what US Growth Trust gives you.

Speaker 2: Me as an individual investor, I'd go to an investment company to invest in a company like SpaceX, because I don't think there's really a way for me to do that without that vehicle in place.

Kirsty Gibson (KG): Yes, that's correct. It's very hard for the individual to buy shares in a private company like SpaceX unless you go through a vehicle of some description, like a trust. So we can leverage our reputation as a long-term, supportive, patient shareholder and allow that to gain us access to the most exciting private companies in the US.

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S1: What do I think when I hear the phrase investment trust? To be honest, I don't know what that means.

GR: Investment trusts have quite a lot of flexibility. The way that the funds are structured enables them to invest in public companies, which are liquid and listed on stock markets, but also private companies.

KG: Private investing is all about relationships, whether or not you have the relationship with the company and whether or not they choose for you to be an investor.

GR: Yes.

KG: And they're going to pick the investors that they believe are patient and long-term and are supportive of their vision.

GR: Yes.

Speaker 3: I wish I would have done this when I was much younger.

GR: She hits the nail on the head. The earlier you start investing, the better.

KG: You can invest relatively small amounts and still get access to great companies through a variety of different vehicles.

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GR: Compound interest is a very, very powerful thing. The earlier you start investing, the more the compound interest has got the potential to work and to build your assets such that you have more available for you at the time of your retirement.

KG: We'd encourage you to invest over the long run. But if you need access to that money, you are able to take it out.

S1: The best companies in recent years have probably originated from the US.

KG: I would agree.

GR: 100%. And I think it'd be better for the world if we had more innovation coming out of countries in Europe, but it's just not happening. You look at the current wave of innovation, which is AI, and almost all of the important companies are coming out of America yet again. And so I just don't see this changing over the next decade.

S1: The thing about the US that drives that entrepreneurship is the whole culture. It's really embedded into the US. It's just not something you see as much over in the UK.

GR: Boom.

KG: I think America has a culture of optimism and ambition which is unrivalled in the rest of the world.

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GR: You're never going to achieve exceptional outcomes unless you strive for great things. But the minute you start striving for great things, you open yourself up for failure. And that's the challenge of it.

KG: But that's also the culture in the US as well, is an acceptance of failure.

Speaker 4: The benefits of a founder-led company is that they do care about their company, because, of course, they are not only interested for the profit, but it's actually their own child.

GR: Very good.

KG: Yes.

GR: Founders tend to be less driven by money and more driven by purpose and the desire to build something meaningful than the average CEO of a company.

KG: Yes.

GR: We're investing often in the people as much as the product.

KG: Well, they understand what they're trying to achieve, they know what the purpose of what their organisation is.

GR: Over the course of our very long ownership history with businesses, sometimes they evolve quite radically from where they started.

Speaker 5: Ideas where it helps people are probably the best ones, where it'll not necessarily change your life, but it makes your life easier.

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KG: Yes, one of the first questions we ask ourselves when we're discussing companies is 'What problem is it solving?'

GR: To build something which is going to endure, then it's important that the products that you make, the services that you provide are of net benefit to society.

What does it take to be a good investor?

Speaker 6 (S6): A white man in a pin-striped shirt.

GR: It's checked.

KG: Checked.

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