

# THE WALL STREET JOURNAL.

WORLD | OBITUARIES

## Richard Driehaus, Stock-Market Daredevil, Preserved Traditional Architecture

Chicago fund manager, who has died at age 78, arrived at one of his parties on an elephant's back



Fund manager Richard Driehaus, shown here in 2017, had a traditional taste in architecture but took a maverick approach to investing.

PHOTO: PAUL BRUINOOGUE/PATRICK MCMULLAN/GETTY IMAGES

By [James R. Hagerty](#)

March 25, 2021 8:02 am ET

As a boy pulling his wagon along a newspaper-delivery route in Chicago, Richard Driehaus noticed ornate houses that made his family's bungalow look drab. His father, a mechanical engineer, yearned to build a Queen Anne or Tudor home in a better neighborhood but couldn't afford it.

"What my dad couldn't do, I wanted to do," Mr. Driehaus said later.

The success of his Chicago-based firm, Driehaus Capital Management, eventually gave him the means to restore Gilded Age mansions and establish an annual architectural prize. Mr. Driehaus championed traditional architecture. He scorned Modernism.

“The problem is there’s no poetry in modern architecture,” Mr. Driehaus told Chicago magazine in 2007.

Anything ordinary wasn’t his thing. The annual birthday parties he choreographed at his estate on Lake Geneva in Wisconsin were spectacular. At one circus-themed party he arrived on the back of an elephant. Entertainers for other gatherings included Jay Leno, the Beach Boys and Diana Ross. Mr. Driehaus had never heard of Mr. Leno when they first met, but they discovered a mutual passion for collecting classic cars.

---

#### OTHER OBITUARIES

---

- [Texas Roadhouse CEO, a Business Maverick, Was Tormented by Tinnitus After Covid-19](#) March 24, 2021
- [Residence Inn Founder Created a Lucrative Hotel Niche](#) March 19, 2021
- [After a Lung Transplant, Liesbeth Stoeffler Ran Marathons](#) March 18, 2021
- [James Levine, Longtime Metropolitan Opera Conductor, Dies at 77](#) March 17, 2021

While his taste in architecture was traditional, he made his name in fund management with a maverick approach known as momentum investing. When others sought overlooked value, he jumped on stocks that were rocketing even if earnings were meager or absent. His specialty was getting out of those stocks before they crashed.

When occasionally caught off guard by a market lurch, “he would get

hammered,” said one of his longtime friends, Michael Gallo, “but he would come right back.” Barron’s named him to its All-Century team of mutual-fund managers in 2000.

---

Mr. Driehaus, who remained hyperactive in philanthropy and investing, died March 9 after a cerebral hemorrhage. He was 78.

The annual Richard H. Driehaus Prize, which he established in 2003, is awarded to architects “whose work embodies the highest ideals of traditional and classical architecture.” His work in this realm brought him into contact with a kindred spirit, Prince Charles. The British royal presented Mr. Driehaus with an award for the support of traditional architecture in 2015.

The Driehaus Museum he founded in Chicago features Tiffany lamps, furniture and other decorative objects. It is housed in the Nickerson Mansion, an 1883 home he acquired and restored.

His firm occupies a nearby architectural gem he renovated, the Ransom Cable Mansion. That gabled and spired stone palace, dating to 1886, is decorated with Tiffany chandeliers and marble statuary. “I think great art and architecture are ennobling,” Mr. Driehaus said. “I think they help people do their jobs a little better.”

In the stock market, he tried to spot firms with the potential for explosive earnings growth. “Analysts tend to be too conservative and linear at times and are reluctant to forecast earnings too far out,” he told Barron’s in 2000. “This is a factor I’ve always tried to exploit.”

Richard Herman Driehaus, the oldest of three children, was born July 27, 1942, in Chicago and grew up in the middle-class Brainerd neighborhood. His father, who designed coal-mining equipment, suffered a severe heart attack when Richard was 7, and his mother later went to work as a secretary. For higher education, Richard had to rely on his own resources.

Around age 12, he began collecting coins and soon discovered he could make money selling some of them. Having noticed coin dealers’ display ads in a numismatic magazine, he scoured smaller notices at the back of the publication “to see what they were actually trying to buy for their own accounts, rather than what they wanted to unload on the public,” he said. “Then I would shadow them.”

By the time he graduated from high school, he said later, he had about \$2,000 (the current equivalent of nearly \$18,000) in cash savings and \$3,000 to \$4,000 of coins.

In considering careers, he followed a process of elimination. “I couldn’t be a doctor since I hate blood,” he said. “I couldn’t be an accountant, because I didn’t want to find people ways to reduce their taxes. I couldn’t be a lawyer: The money is all in getting the bad guys off. I couldn’t do any of the normal things.”

He studied business at DePaul University, where he graduated in 1965, and later returned for an M.B.A. degree. Struggling to find work, he bought a classified ad in The Wall Street Journal to promote himself. That led to a series of jobs in the securities business. At A.G. Becker & Co., he showed precocious talent for picking stocks. In 1982 he formed his own investment-management firm, which had \$13.2 billion of assets under management as of February.

Preoccupied with his career, he didn’t marry until after age 50. His two marriages ended in divorce. He is survived by three daughters and two sisters.

If a restaurant bill came to \$200, his tip might be \$100. His foundation supports causes including architecture, the arts, education and investigative journalism. He often cited the influence of his Roman Catholic education. “The nuns had three instructions for us: continue to learn; be responsible for your own actions; give back,” he said.

Write to James R. Hagerty at [bob.hagerty@wsj.com](mailto:bob.hagerty@wsj.com)