

In this month's edition of The Brief, we recap the Sohn Investment Conference, where elite money managers are moving away from passive momentum to find alpha in capital structure plays, AI software applications, and private enterprise value.

The Sohn Investment Conference

The 31st Annual Sohn Investment Conference convened in New York last week, bringing together the world's elite hedge fund managers and alternative asset allocators. Beyond its vital mission of raising millions of dollars to fund pediatric cancer research, Sohn remains the premier arena for market-moving investment theses. This year's conference highlighted a noticeable regime shift. While previous years focused heavily on macroeconomic volatility and rising interest rates, the 2026 presentations zeroed in on granular execution, value discovery in overlooked sectors, and a deeply analytical view of the next phase of the artificial intelligence boom.

Value Discovery

David Einhorn (Greenlight Capital)

True to Sohn tradition, several of the most anticipated segments focused on idiosyncratic value, equity mispricings, and intensive fundamental research. David Einhorn delivered one of the afternoon's highlight presentations, maintaining his signature value-driven, contrarian lens. Rather than chasing high-flying momentum, Einhorn focused on deeply mispriced market segments where capital structure adjustments or operational turnarounds are poised to unlock equity value. His thesis reminded allocators that true alpha in 2026 requires looking exactly where passive index flows are not looking, leaning heavily into companies with robust cash generation and aggressive share-buyback mandates.

Ultimately, Einhorn offered a playbook for navigating a pricey domestic market. Rather than buying static value or chasing speculative growth, Einhorn is betting on operational execution, emphasizing that for his specific investments, investors have already paid for the infrastructure, and a disciplined approach is all that is needed to reap the financial rewards. Einhorn is not simply looking for cheap companies, he is looking for domestic transition stories that possess internal catalysts.

Intelligence Infrastructure

Gavin Baker (Atreides Management)

In a highly anticipated fireside chat titled "Inside the Mind of a Tech Investor," Gavin Baker mapped out the structural realities of the ongoing hyperscaler capex supercycle. Rather than pitching a specific equity idea, Baker focused entirely on the shifting landscape of artificial intelligence infrastructure and the core competitors to Nvidia's Blackwell chip, notably Google's TPU and Amazon's Trainium.

In short, the silicon landscape is diversifying rapidly. To sustain the economic viability of global AI models, the industry is transitioning from generalized graphic processing units toward highly specialized chip architectures designed specifically for ultra-fast, low-latency processing. Beyond specific silicon architectures, Baker mapped out the broader physical constraints facing AI:

- **Taiwan Semiconductor:** He views the conservative nature in which TSMC runs their company as a structural dampener that is actively helping the tech sector expand rapidly without falling into a destructive, speculative bubble.
- **The Next Frontier:** Looking further out at the compounding power demands of compute, Baker highlighted that space-based data centers are moving from science fiction to a realistic horizon.



Private Equity and the Enterprise Software Revolution

Orlando Bravo (Thoma Bravo)

During the panel, "What's Next for Software," Thoma Bravo co-founder Orlando Bravo dispels the narrative that artificial intelligence will render traditional software obsolete, explaining that AI fundamentally is software and requires enterprise applications for deployment. He views the "agentic" AI wave as a cycle multiple times larger than the cloud revolution, benefiting both incumbents and startups. Thoma Bravo's core strategy relies on backing deep domain leaders rather than chasing horizontal tech trends, as legacy companies with decades of industry workflow data can best use AI to automate human judgment. Bravo emphasizes that traditional software "moats" are highly overstated; ultimate defense relies on high-ROI execution and founder-led leadership.

Reflecting on operational lessons, Bravo offers a transparent post-mortem on their 2021 buyout of Medallia, calling it a mistake driven by overpaying for pandemic growth and erroneously replacing founder innovation with outside management. Addressing capital markets, he notes a tightening private credit landscape where refinancing leverage has compressed, forcing aggressive portfolio debt paydowns. Finally, within Thoma Bravo's massive cybersecurity portfolio, Bravo highlights a shifting threat matrix: while AI model capabilities excel at eradicating code vulnerabilities pre-production, the critical new frontier centers on agentic identity management, securing and verifying the data boundaries of autonomous AI agents within corporate networks.

Alternative Frontiers: Sports Capital

The panel, "Beyond the Final Score: How Sports Became the New Investment Frontier," outlines the rapid evolution of sports franchises from emotional "trophy assets" into highly sophisticated, institutional financial instruments. The discussion features venture capitalist Alexis Ohanian and hedge fund billionaire Mark Lasry, who contrast their distinct approaches to extracting yield from the space. Ohanian focuses on capturing ground-floor alpha by exploiting massive valuation mismatches in women's sports, noting how top female athletes command millions in individual sponsorships while entire clubs historically traded for a fraction of that value.

Conversely, Lasry highlights the unparalleled consumer resilience of established men's franchises, noting that sports represent an unmatched product model where customer loyalty endures even during severe product failure or losing seasons. Lasry further notes that while competitive spending to win games can cause short-term operational losses, the resulting team success exponentially inflates ultimate franchise brand equity at exit.

Because viewers demand real, live stakes, traditional sports will serve as the ultimate, un-replicable medium to capture human attention. This unique attention-moat ensures streaming giants like Amazon, Google, and Netflix will increasingly turn to sports properties for guaranteed live audiences. Ohanian closes by noting that sports brands pass the ultimate user loyalty metric: they are among the few corporate logos on earth that consumers willingly tattoo onto their skin.

Fast Facts

Move over, coding. Forbes declared storytelling as the most profitable skill for CMOs and corporate leaders in 2026. Data shows that in an AI-saturated market, consumers are heavily favoring brands that connect through transparent, narrative-driven history rather than algorithmic marketing. – *Forbes*

A massive supply glut and plummeting panel prices mean solar power is officially on track to become the world's single largest source of electricity by 2032, outpacing fossil fuels much faster than previously projected. – *Bloomberg*

A staggering Microsoft 365 study reveals that the average office employee is now interrupted by an email, meeting, or ping every two minutes during core business hours. – *Morning Brew*

Fast Facts *(continued)*

It's not just tech companies buying AI ads anymore. Non-tech legacy brands like Svedka Vodka and Bosch Power Tools have launched major ad campaigns this month created almost entirely by AI models, signaling that synthetic media has officially gone mainstream in consumer marketing. – *WSJ*

Contact Us

As always, feel free to reach out to us if you have any questions regarding your investments or financial plan or would like to schedule a meeting with our team.

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“Change your opinions, keep to your principles; change your leaves, keep intact your roots.” - Victor Hugo