

## SEEKING THE EXTRAORDINARY

# Ep 10 - A True Renaissance Person: Peter Knight

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[00:00:00] **Lisa:** [00:00:00] Seeking The Extraordinary is sponsored by the Colony Group, a national wealth and business management company that seeks the extraordinary by pursuing an unrelenting mission of providing clients with peace of mind and empowering new visions of tomorrow. Visit the colonygroup.com to learn more.

**Michael:** Welcome fellow seekers of the extraordinary, welcome to our shared quest. A quest not for a thing, but for an ideal.

A quest, not for a place, but into the inner unexplored regions of ourselves. A quest to understand how we can achieve our fullest potential by learning from others who have done, or are doing exactly that. May we always have the courage and wisdom to learn from those who have something to teach.

Join me now in seeking the extraordinary [00:01:00] I'm Michael Nathanson, your chief seeker of the extraordinary.

Today's guest is someone whom I'd call a Renaissance person. Do you know what I mean by that expression? It's an ideal that dates back to 15th century, Renaissance, Italy, and stands for the notion, the ideal that a person can do all things if they simply have the will. With the JD degree from Georgetown University and a BA from Cornell University, our guest started his career as a lawyer for the Justice Department.

He later served as general counsel for a pharmaceuticals company and had a legal career in which his clients included the International Olympic committee, the US Olympic committee, and numerous Fortune 500 companies. Now for most, that's a full, successful career, but being a lawyer is only one part of our [00:02:00] guest's journey.

He's a political force as well. He served as Chief of staff for a person whose name might just ring a bell for you, Al Gore. He also spent some time as a lobbyist and served in senior positions on four Presidential campaigns, including serving as the National Campaign Manager for President Bill Clinton's 1996 re-election campaign.

But even that takes us only halfway through our guests resume. He became interested in sustainability in the use of sustainability principles to invest for impact and a better, healthier world. He partnered with Al Gore to found Generation Investment Management, ultimately becoming a leader of global sustainable investing.

He served on several for-profit and non-profit boards, including six public company boards. And in case you're not impressed yet, he serves [00:03:00] as Chair of the Climate Museum, the World Resources Institutes global leadership board, and the board of the Friends of Katahdin woods and waters. One of the nation's newest national monuments.

Please welcome the extraordinary Peter Knight. Welcome Peter.

**Peter Knight:** Michael. Thank you very much for having me. It's a pleasure.

**Michael:** Its great to have you, uh, you have such an interesting background, and you definitely, in my opinion, certainly qualify as extraordinary. So let's do some learning. So if we do have time to get more into your background, we'll do that. But I think with you, it probably makes sense for us to start where our audience might be most interested and that takes meto politics. And in your work with Al Gore and Bill Clinton, how did you end up working with Al Gore?

**Peter Knight:** Well, thank you, Michael, for the introduction, it was, very generous.

And, uh, it's actually a little bit of a story on how I, started with Al Gore. I, [00:04:00] after college and after actually a trip, around the world, uh, to, with some of my college friends, I set upon a career in public service, which as you indicated, started with the Justice Department, but what I really wanted to do was to work on Capitol Hill.

I had gone down there to try to make a difference, as many young idealist, would like to do. And working in Congress, I thought was the most meaningful thing that I could possibly do. I was very fortunate to get a position as a Chief of Staff, to a Congressman from my district. I grew up in Boston, right outside, North of Boston, in Winchester and my Congress- man, at the time was a fellow named Torbert MacDonald, the predecessor to Ed Markey from that district, Ed Markey now, of course the Senator. But Torbert was an interesting character in that he was President Kennedy's roommate in college. And, back in those days, uh, and also Torbert was the captain of the football team.

So back in those days, captain of the football team was a bigger deal [00:05:00] than actually being the son of an ambas- sador, which President Kennedy, was, uh, at the time. Anyway, he was a very interesting character. We told a lot of stories we talked a lot about football as I had played in college as well.

And so when he needed a new chief of staff, he called me, I was pretty young at the time. Don't know if I was the young- est. I know I was the lowest paid staffer on Capitol Hill though at that time as Chief of Staff, and unfortunately after about a year and a half Torbert, died in office.

And basically I had to look around because I had not, uh, you know, I'd been there for about a year and a half. I had, uh, we did some good work. I certainly learned an awful lot, but I wasn't done with my Capitol Hill career. And so when the new members of Congress came in at the end of that year, I went to talk to some of the professors, at Harvard, the new members of Congress at that time used to go to Harvard to learn how to be a better [00:06:00] Congressman, Congress- woman, and to learn the ropes of it and so they'd stay and spend a week there. So I asked the people, though it was a couple of the professors who were really staffers on the Hill and said, give me an idea of the very best, and I'm going to go after them. I'm going to try to get a job with them because I needed a job. And I said, tell me the three best.

And I'll use that as my list. And she said, well, there were three standouts. One was a fellow from St. Louis named Dick Gephardt, who later became a minority leader and, ran for Congress, ran for president. Very, very smart guy. The second, he said was a man from California named Leon Panetta, who later became CIA Director, Defense Secretary, and the Chief of Staff to President Clinton.

One of the finest public servants you'll ever probably come across and the third, the youngest, but perhaps, maybe even the smartest was a guy named Al Gore. And so I basically, you know, walked into his office and [00:07:00] basically said, I want to be your Chief of Staff. And I think the woman that was there was kind of taken aback by the brashness of this young person.

**Michael:** Wait, wait, wait, wait, you walked in or did you make an appointment first?

**Peter Knight:** No back in those days you could just walk, walk right in. And I said, I want to be your Chief of Staff and she said, well we need one.

And that was the beginning of the story there with getting to meet Al Gore. And then, you know, a few weeks later I started with him and it was, it's been a long run. It's been a 40 plus career, relationship for both he and I, and I got exactly what I wanted, somebody that was younger, somebody that had a full career ahead of them, and I was very, very lucky to join on his, on his team.

**Michael:** So before we get to Clinton and Gore, any good sharable Al Gore stories?

**Peter Knight:** Yeah, there are probably too many to go through, but a super funny guy, a lot of people didn't see that in the Presidential campaign, but really a decent human being, quality human being.

He's super smart. [00:08:00] Anyway, one of the first stories, when I got the job as his Chief of Staff, he went to me, he came and said, listen, we're not going to write a press release on you. And I said, well, you know, that's fine. I'm a staff guy. I don't want a press release on myself, but I am interested as to why.

And he said, well, listen, you're from Massachusetts and I'm from Tennessee. And it, it always doesn't mix the right way. So it would be better if we don't do a press release and he said, Oh, and by the way don't answer the phones. I think I had a little bit more of a Boston accent then.

So anyway, as I was in the job and, uh, there came one day after three or four weeks, all the phones are busy. The phone's ringing off the hook. I pick it up. I shouldn't have, but I did in violation of Gore's rule and I said Hi, this is Congressman Gore's office?

He said, yeah, this is the mayor of [00:09:00] what I heard was Lafayette. And, I wanted to talk to you about some grants and I said, Oh my gosh, it's so great to talk to you mayor we're going to throw out the red carpet, we're going to do all this things for you. I was just so excited to talk to her, an actual constituent on the phone when I got there.

And he, uh, said to me, and as I was talking to, I said, we're gonna, we're gonna help you in any way. We've got a grants person here. And by the way, how's everything going down there in Lafayette. And he said, boy, the name of the town is pronounced LA-Fay-ette. Now, where are you from?

And I said, well, I'm from Massachusetts. And now I understand why Gore didn't want me to answer, but yeah, so that I understood at that point that, my place in the office, which was helping to run the staff, not necessarily to do the politics of Tennessee.

**Michael:** So thank you for sharing that let's move to the presidential campaigns.

So as I mentioned, [00:10:00] you were involved in several Presidential campaigns, let's just first identify the ones you were involved with.

**Peter Knight:** Well sure my career trajectory really involved an awful lot around Gore. He ran for President in 1988 and so I had a position in that campaign.

And then of course he decided, , not to run, in 1992, , but, , to run for president, but he was then selected as vice-president. So, , I came onto the campaign sort of in the, after he was, selected into vice presidency , and was a big part of that campaign.

And then as you indicated, in 1996, I was president Clinton's campaign manager, and then most of my career was prepared for, um, getting ready for Gore's campaign that, uh, people was going to run in 2000.

It was pretty obvious as being in vice-president starting in '92, that he would run, in 2000. So it was those four campaigns during that period of time. And I thought I had a lot of experience in running campaigns, [00:11:00] but they're so different now it's most of the strategies that we employed are so ancient it's kind of crazy,

**Michael:** But what a big deal though. I mean, how many, you're coordinating the efforts of thousands of people across the country when you do something like this?

**Peter Knight:** Well, yeah, campaigns are crazy they're a whirlwind. They're exciting. They're frustrating. They're challenging. They're depressing, one day you're up the next day you're, you're down. It's in a sense, it's kind of like jump-starting a mid-cap company. And I say that mid cap, as opposed to small cap, because the amount of revenue is being put through that organization in a short period of time, is quite extraordinary. And it was certainly, that was true for all the campaigns you know, they all struggle for money, but especially on the presidential campaign, back in those days, you were given, federal funding and we could raise outside money and it was millions and millions that were put through this. And so you jumpstart, you hire, you know, I think [00:12:00] we had 2,500 people at our Clinton campaign in '96, somewhere around that and then you just close it all down. So it's a pretty big challenge as I said, very exciting. But it has its ups and its downs.

**Michael:** Do you think of you're successfully managing Bill Clinton's campaign in 1996. Do you think of that as, as your crowning achievement professionally?

**Peter Knight:** Well, listen, I'm very, very proud of that, but I can't take credit for winning that election.

It was all because of the president. He also, it's interesting. Running a presidential campaign from the white house or at least having the White House there is a very different deal. And I was in many ways executing the strategy that his political team had put in, and so I certainly don't deserve the credit for it. Sometimes campaign managers get that, but listen, it was an honor to, uh, to do it. And I can't thank the President enough for giving me that opportunity,

**Michael:** But 1996 was a, that was a weird election. I mean, I guess in some sense, they're all weird, but that was a [00:13:00] strange election. That was, if I have my facts, correct. And please correct me if I don't, but that was the year that we saw the emergence of Ross Perot, putting aside John Anderson, he was probably the know the, the most successful independent candidate of that time, maybe since that time as well.

And you had, you know, Bob Dole, who was a major force as well. And the Republicans had been very strong a couple years earlier. They had their contract with America, the Republican revolution. And I read Game Change, which was of course about the Obama election, but you just learn about, about how complex it is, and I like your mid-cap analogy but you know, the idea that you have forces, whether they're grassroots forces or whether they're just much larger political forces, it just seems, it seems like that was a truly extraordinary election. What's your perspective on that in retrospect?

**Peter Knight:** Well, how [00:14:00] elections are, and you know, earlier '92 you know, again was a very close election. Clinton and Ross Perot was on the ascendancy at that time too, and was a big, big factor. But the midterm elections had changed things in 1994, a great deal for, uh, President Clinton and the Newt Gingrich and those others, the Contract on America came into effect.

But he was in '94 through the 1996 timeframe. He was able to battle his way back up to, uh, popularity with a number of efforts, I think kind of brilliant efforts by the White House team to, to do that.

So by the time, and I became a campaign manager, I think it was about April or May of that year.

He was sitting in an enviable position, in the polls. He was ahead of Bob Dole. Ross Perot was, was a factor, but not as much as he was say in 1992. And he had about a [00:15:00] six and a half point lead at when I came in. I remember that when I was introduced by the then Chairman of the Democratic National Committee, Senator Chris Dodd and he introduced me and talked about, my background and he said, Peter, I've given you a six and a half point lead here's the Baton don't blow it. And, um, so that, that was my job was really to not blow it. And fortunately we ended up winning by just six and a half to 7%, and coast to what seemed, what appeared to be an easy victory, but none of those campaigns are, are easy.

And that one was filled with some ups and downs, but he was he was relentless. He's a great, great campaigner. And we had the team was, was amazing, eclectic, I should probably say as well, but a great team. And so we were ultimately successful.

**Michael:** So you mentioned fundraising and, as I was researching you for [00:16:00] this show I read an amusing quote about you in a Wall Street Journal article, that I think was written just after you had become Bill Clinton's campaign manager, and I'm going to read, it says "Last month, President Clinton raised \$12.5 million in a single night." and of course this was back in the nineties, "thanks to the fundraising prowess of his newly appointed campaign manager, Peter Knight. Given a spectacular total it was no surprise that the popular lobbyist got a big ovation from the guests and the President. Quote, any man who can pick your pocket and you still clap deserves to be the campaign manager of the Clinton/ Gore reelection committee end quote. The president joked to his party's high rollers who were packed inside Washington's convention center. Some of those pockets belonged to Mr. Knight's clients who contributed an impressive \$435,000 to the dinner." So how much of it really is about [00:17:00] fundraising and your ability specifically to raise funds?

**Peter Knight:** Well, actually that didn't, have too much to do with it. I had been asked to, to be the chair of that event, a long time before, actually a couple months before. And there was a process of selecting the campaign manager during that time. And so that event, happened, I think about a week afterwards. So it was all sort of in, in, in motion, but listen, campaigns need a lot of money. And, so at that point in time, I, you know, I was not. I did not work at the White House and or anything like that. And I was one of the ones outside that could help the campaign raise money. And so I wanted to do everything I could for the Clinton Gore campaign and agreed to, to share that event. It was super successful and very exciting. I then, you know, as you move in from, into the campaign management, perspective, that is not a job that really requires any type of fundraising prowess or responsibilities, [00:18:00] that's all about managing the campaign.

And there was another finance team to do that, which I was happy to let them work on that. But, it was you know, it was a crazy, crazy time. For me it was just a, but, it was just about a week before, or a few days before, that I did get a call from President Clinton to come and interview.

And I knew what he was going to interview me for, but I got up into his study and I had been reading a biography of Lincoln and right above his head was the picture of the peacemakers, which is General Sherman, General Grant talking to Lincoln, and I don't know, I just couldn't even talk. It was just like so overwhelming. And so we had a great conversation. I have no idea what happened during the conversation, but anyway, at the end of it, he offered me the job. So it must have gone okay. But it was kind of an overwhelming experience to do that. And and as I [00:19:00] said, a great honor to do that with President Clinton.

**Michael:** How well did you know him? Were you speaking with them every day during the campaign? Was that the first time you met him?

**Peter Knight:** It was not the first time I had met him, but my relationship was obviously much closer with Vice President Gore. I knew him but not that well and but we did get to know each other during the campaign.

I don't know if it was every day, but there was constant communication. There were weekly meetings where we planned out strategy, so it was a relationship and I have stayed in touch with him, especially through his staff people, some I've known for a long period of time.

**Michael:** Do you have a cell phone number?

**Peter Knight:** Well, I had his cell phone number.

**Michael:** Do people text with former Presidents?

**Peter Knight:** Yeah. Yeah. In my case, see, I'm a staffer. All I needed was the Chief of Staff's cell phone number. So I had that.

**Michael:** I see. So you're still in touch with him now though?

**Peter Knight:** You know, I don't see him that often, and of course it's more [00:20:00] challenging these days and I was traveling a lot, but I did, I basically stayed in touch through his Chief of Staff who was my deputy on the campaign, incredibly talented woman. Who's now that Chief of Staff to Vice President Harris so.

**Michael:** So, I'm guessing that the most thrilling part of serving as the Clinton Gore campaign manager was winning. Although that's a guess. I'm interested in personal challenges, can you speak to any of the personal challenges? I mean, I assume this was a great burden on you from a time perspective. I assume you're on the road regularly, maybe speak to some of the greater challenges you had to face.

**Peter Knight:** Yes campaigns are, are very hard, and they're all consuming and it's really you know, seemingly 16 to 18 hours a day. When you're home, you're not really home, you're on the phone or you're working on something your hours are very, very long.

[00:21:00] So I think the biggest challenge is the family and you, and you usually have a day, maybe it's Sunday where you get a couple hours, but it's not enough. And it's very challenging in so many ways. And so during those periods of time, when was working on those campaigns, your family suffers, or certainly I suffered from not being able to be with them.

And then the other challenge for me, the time that I remember obviously remember quite well. My mom was not doing very well at all during the campaign and we were afraid we were going to lose her. I took off from Washington with the President for our campaign, a set of events in Los Angeles.

And by the time we got to Los Angeles, my mom had passed and I got the phone call while I was actually on Air Force One. And I went over to talk to the President about it. And he was gracious as always is in the, it was captured by the white house photographer of a [00:22:00] picture of myself and, and President Clinton right next to a Marine One, which the helicopter that he was about to get on and He was consoling me, which I needed at the time.

And, uh, of course I, he went on to Marine One, which I was about to jump on with him, but went into LAX and took a flight back. So you give up a lot for campaigns, you're sacrificing, your family for, you know, for a greater good and you hope that it turns out. Okay.

**Michael:** Yeah and I appreciate your modesty, and your humility in saying that, of course, you know, the candidates won the election, but campaign manager, National Campaign manager, that's an important point. And you could have blown that six point lead. You just didn't, you did a good job, obviously.

Do you ever sit back and think that you helped to change the world?

I don't think it is that grandiose. I think President Clinton was a wonderful president and Al Gore was a great [00:23:00] vice president as well. We did it and he did, and not, not the folks that work for him, but they certainly help it takes a team effort to do that.

So I don't think of it really in that way. What also has been pretty exciting as to be part of the Gore family during the time, during his post-career and what he's been able to accomplish as well has been pretty thrilling and that's an exciting aspect to it, but you know, it's I don't think of it in the sort of grandiose terms.

It was an important job, you know, I, I was always pretty good at defense you know, when I played sports and so forth, so holding onto a seven point lead, that was okay and we didn't make many mistakes and actually, you know, that was pretty cool that we didn't make, we had some of course, but, didn't make that many, but it was but certainly it was a big team effort and having the White House behind you it was exciting and you know, balanced, all the mistakes you might've made. But , anyway, we did it together and worked out.

You mentioned [00:24:00] football or sports twice. You, you talked about defense, so were you a lineman, a back what would you play?

**Peter Knight:** I was a defensive back, and a running back in high school then went to Cornell, and you know, it was very fortunate to play in the championship team in high school and also in college.

So it sort of, helped to propel me and that sort of competitive spirit. I don't know if I, you know, obviously my early childhood and spend a lot of time on sports, but interestingly, when I mentioned about Trevor McDonald And he was a half-back at, at Harvard. He was a captain of the football team.

He had said all sorts of rushing records that were broken, not until many, many, many years later. And he was a lot older than I was, but the only thing, the thing that we had in common was football. And he would ask me and I was defensive back and how I played and how I returned punts and so forth. And so, actually it helped me get my, that job with him because, when his Chief of Staff was moving on to another [00:25:00] position, they were trying to fill it and they were all going through names.

And Torbey, uh said, well, what about that kid that played football? And he couldn't remember my name, but he remembered that I played football. So it's part of the story of luck in really luck to, to how you venture into jobs. It's kind of crazy.

**Michael:** Yeah. It's, it's more than lucky. In my opinion, I think that there are certain languages that many of us speak, sports is one of them. That's a big part of the American culture. And as I was raising my kids, I used to constantly tell them that find something you're interested in, whether it's sports or literature or pop culture or wine, but these kinds of shared experiences that many of us have there, that becomes a way to communicate and connect with others.

So I'm going to move off of politics and talk about some of the other great, interesting aspects of your career. But before I do that again, just [00:26:00] because you mentioned that, so what was it like to ride an Air Force One in Marine One?

**Peter Knight:** Uh, very cool. Very cool. You know, I, I used to joke that it's the reason that people run for president to be able to get the ultimate toy, which is Air Force One.

So yes, it is a very cool plane and I didn't go on it all the time, but it did go on and several times, and there's a place where the four senior people sit around some telephones.

I don't know if it's similar as it was, but, you know, walking in to talk to the President while he's in his little studio, it's just an amazing plane.

And so I have very vivid memories of that coming back, uh, with my wife on election night on Air Force One, not election night, but the next day, was something we were all so excited and, you know cheering. And it was just one of the happiest times of my life, I guess, compared to getting married and the birth of my son and grandson.

But [00:27:00] anyway, it was really great. And one of the, I, I think the most, I told you about the picture of my, when, when my mom passed away in Marine One but that was a very special time. I didn't get to do it very often, but I do remember one time we landed in, uh, in Chicago and we were able to, we were going to take Marine one to another event somewhere around the suburbs.

And this was at night about nine o'clock and, and going up and Marine One and seeing that Chicago skyline, was just something I, I will never forget. It was a beautiful, mysterious, subtle, and there were a couple of planes behind it, Marine two and three behind us.

It was a thrill, it was a real thrill. I feel very fortunate to have been taken a couple of trips on that. And as I said, it is the ultimate toy and in my view, that's why a lot of people run for office.

**Michael:** Well, I can certainly understand that perspective and I can only imagine [00:28:00] what it was like to actually be on that ultimate toy. In any event let's talk a little bit about your, your legal career. And, I was going to ask you whether you were doing great things, uh, from a legal perspective, whether it just wasn't enough, but I think I'm getting a better sense from you as to why you decided to move away from strictly a legal career.

That being said, could you speak to that a little bit? Why is it that you didn't just decide you're going to stick around practicing law? It's a very noble thing to do.

**Peter Knight:** I started my career, after law school, after leaving, Gore after the 88 campaign and started with as general counsel of a pharmaceutical company.

I didn't try to get into that space, but it was a buddy from, from law school that said come and be a general counsel with me. And I said, well, other than not knowing how to do it, I'm sure I'd be really qualified. And I really wanted to get into get into business that company moved to New York and then ultimately Phoenix and that was not something I wanted to do.

So I came [00:29:00] back and practice law and it was very satisfying in, in many respects. But I kept getting pulled back from the career that, that I had to be to go into politics. And in the meantime I had some great, great clients, but after the 2000 campaign, which didn't go the way that I had expected it to, to go, I really set upon an effort to, to get into the finance field and to explore the, the connections between finance and especially sustainability and the environment.

It was certainly a new career for me but I thought super, super exciting as well.

**Michael:** Yeah. So we'll get to that in a minute and. I do understand that was something people weren't talking about. And it was basically it, it getting into a new field at that point but before we get to that I just have a couple of questions. So first are you able to speak to the kind of work you were doing with the [00:30:00] Olympic committee?

**Peter Knight:** Yeah, sure. I was, that was my most exciting client but by far, and I had been introduced to Anita de France, which is the highest ranking Olympics still to this day on the international Olympic committee.



And she asked me to help. Help her think through, the issues that would come before the United States with respect to the international Olympic committee of which there actually were a lot. And also at the time I did represent the US Olympic committee and helping them to transition.

And of course at that time, the Atlanta games, when I first was hired, the Atlanta games were scheduled in 1996. And so there were some, you know, issues, not, not major challenges, but, but issues that came up that required, some high level discussions with state department folks, White House folks, and so forth.

So it was a very exciting time. I did learn in that in the international Olympic committee, it's really a college of Cardinals and that the [00:31:00] politics are much more intense than they are in Washington DC. And it was very instructive to see that up close and personal. A very, you know, the stakes were not nearly as high.

I think as Kissinger said about academia and not nearly as I, uh, as academia either, but the politics were pretty intense, but I had a couple projects that were very exciting and one that I spent the most time on. Was helping them set up a quarter of arbitration for sport. And there were a lot of controversies. That came up, that come up in the sports world, but the international Olympic committee did not have a body to opine on what the international Olympic committee could do. And so it would be every time there was a decision on an athlete abusing this or that, or taking drugs, et cetera, it had to be the international Olympic committee that made the decision and became.

Or you are choosing to have a sport taken off the list, it became too political. So they, and this is one on [00:32:00] town Tonio Osama, when she said we need to set up a body that would help to arbitrate sport. It has to be impeccably situated so that from a legal point of view, there would be a very high standard from around the globe to do this.

And so I, I spent a lot of time mostly from the US legal perspective and trying to make sure the court of arbitration for sport respected the rule of law of the of the US, obviously in addition to others, and this was all done in Switzerland. I had to go back and forth but it was very cool.

And the court of arbitration for sport, I mean, it was just starting out back then and, that was 95, 94, and has been an incredibly important body for the international Olympic committee, since then and composed of very high level jurors from around the globe. And that was truly an honor to meet people.

We had a representative from the US court of appeals to judge Richard Arnold that we had put forward for that a [00:33:00] really incredible guy, but the others on the team and the staff, the not the staff way in addition to the members of the tribunal were very high level and it was an honor to work with them.

**Michael:** Thank you for that. So let's get into sustainability and that is a term we hear a lot now but yeah, but going back 10, certainly 20 years ago, people weren't talking about sustainability, the way they talk about it now, and we hear terms like sustainability and ESG and impact investing. Could you just take us through the lay of the land and perhaps offer a little bit of education to our audience as to what these subjects are really all about?

**Peter Knight:** Yeah, sure I'd love to, and perhaps I also, give a bit of a history because I think it hopefully is instructive to folks listening and people that are investing because an awful lot of people are doing that. But [00:34:00] sustainable investing is really is an investment discipline, that considers and integrates, environmental, social governance and other and sustainability factors into an investment process, that is intended to generate, you know, good returns.

And while you're also, helping to have a social impact. In a sense what ESG is, and there are two aspects of sustainability that are really important. One is the integration to those principles, but it has to be done over a long-term time horizon.

And if you consider sustainability over the long-term time horizon, then it becomes a common sense way to think about companies and in the public equity context, ESG is knowing the environmental factors that impact competitive advantage. Social factors, governance factors, are actually a critical component of long-term competitive advantage. They look to the quality of the management team. They look to the quality of the business, and if you can use [00:35:00] those insights in that level of inquiry about environmental factors and others, you're going to learn more about that company.

And you're going to then be in a position to make better better decisions. And in any investment analyst wants to have as much information as they possibly can. But in the short term, all you're really doing is looking at short-term quarterly earnings and how that impacts, but it's so much broader.

And that's why I say that the sustainable investing field is kind of common sense. Cause you want to know more about a company, not less, but you know, the other aspect of it is that people forget about is that, in impact they call it impact investing. And that does take a look at the idea that there may be trade offs between the two, but it should be remembered that all investments have impact.

It can be negative impact. It can be positive. Some of it's going to be neutral. So, you know, one can. You know, taking an [00:36:00] extreme example coal companies have their stock prices way down these days. And I assume that there are some people would say, Oh, it's better or down so I can invest in it. And it will bounce back.

Yeah, you could put your money doing that, but your capital is going to work and it has a purpose and it's going to help that coal company continued to do what it's doing. The other aspect of that is that when you're doing that, you're not really investing, you're actually trading and it may be a great trading strategy.

And I'm, you know, not in the field of trading back and forth and people do. And some people make a lot of money at it, but if you're actually investing, then what you want to know is what is the long-term competitive advantage. And that's really what ESG does. And I didn't want to drone on for too long, but perhaps to take you through quickly, the history of ESG and the nomenclature has changed over time, which is one of the challenges that we face in the [00:37:00] space. But, but it started, the space really started with the religious community and the Sullivan principles in South Africa and divestment, and was a key component.

And it was very successful as a political strategy but it then became what they call negative screening. That is you use your values to screen out certain aspects of your portfolio that could be alcohol, could be tobacco and so forth. And the academic literature was pretty resounding on that, that was a violation of your fiduciary duty to just using that social value structure as a means of making your investment decisions.

So it became a pretty interesting retail product for church groups and for others that wanted to screen out the bad stuff. But it did not become an institutional product and the advent then the notion that, okay, well, we won't negatively screen. What we'll do is positively screen and that, would mean we would take into consideration all the sustainability factors we could get our hands [00:38:00] on and try to find the most sustainable companies in all areas. And when we were coming on the scene that was represented by a company in Switzerland and they had put forward the Dow Jones sustainability index, which is basically an index of all industries, but the best three in each.

So I think it was 78 categories, which had the best three tobacco companies, the best three fossil fuel companies. And it was a interesting way of thinking about it and the way that they had arrived at the best sustainability companies was putting out a questionnaire, which corporates obviously hated to fill out, but 200 or so questions and then they'd come back and they'd say, well, these are the most sustainable companies..

Some of the authors of that company who later became, one in particular became a founding member of generation investment management, had found that it really wasn't as satisfying from an investment standpoint for a positive screening that is to go and have a very wide [00:39:00] research on sustainability, but not go very deep on the finances..

So the idea was that the positive screening was a mile wide and it's research. And an inch deep in its understanding of financial implications. And his notion and that of that firm was to flip that and to use environmental ESG, as a lens into a research lens. So the research needed to be a mile deep and an inch wide, if you really wanted to understand companies. And that was the foundational element of how generation investment management came into being. It was a very deep research process that was intended to understand, how a company built itself for the long-term competitive advantage. And that became what we have today, the sort of integrative model.

And that was started, I think it's fair to say by Generation and a couple others back in 2005, And now you see ESG, [00:40:00] especially in the public equity context, you see it as a screening tool for passive strategies, but it's also a very effective strategy to implement on active strategies of public equity in investing

**Michael:** And many investors as, as you're pointing out, insist that they want their investments to reflect a sustainable or ESG kind of approach. Certainly our experience at The Colony Group and that's not for everyone, but increasingly we see more and more demand for it. And I like what you're saying also about this concept that, you know when a company displays these types of behaviors and resilience and they're paying attention to the environment and social matters and good governance that, that says something about the company being hopefully a sustainable company, that'll be around for some time. And you were very successful with Generation. You grew it to over [00:41:00] \$20 billion, you and your partners, correct?

**Peter Knight:** Yeah, correct. I think it's actually it's more like, I talked to the folks the other day, I think it's 36 billion under management. We basically and we've been closed on the public equity side since about 2010, 2011.

So others haven't been able to get into the fund and Generation also has some private equity strategies, which are quite interesting as well. And you mentioned it's not for everyone. Of course my view is yes, it is right for everyone. I mean you know, back in, when I was at Generation I've now, you know, since retired, we didn't talk about our returns, because Michael as you know, investing is really hard as soon as you talk about it, the things go sideways and South and so forth. But when I left and I can say this now with somebody from the outside, we were the number one performer on probably one of the most extensive databases, in the world.

The number one performer in [00:42:00] global equity in not among sustainability firms only, but across the way. And we had outperformed by about 570 basis points on that's year, for year over year on an annualized basis, net of those fees. So we do think we prove the business case that was a better way to understand how companies could sell.

And that, that was just a better way. And I, it is far from mainstream, this integrative analysis, but I certainly do, think that over time, it will be, and also as the sustainability challenges, I mean, I was referring mostly to the public equity side, but the impact side is usually seen more in a private equity context where the alpha in a investment is actually the impact, meaning that if you're investing in a solar inverter, just by the nature of what that inverter does, it's a much more sustainable product.

And the opportunities in that are extraordinary, just absolutely extraordinary.

**Michael:** Yeah to be clear when I [00:43:00] say it's not for everyone, I'm stating a fact that we have thousands of clients and many clients are increasingly interested in it. We're certainly very big into the space now. But we also have clients that have their perspectives that they prefer, shall we say a more traditional approach.

And we just try to be mindful about what every particular client is interested in, but we do go out of our way to educate clients and the community about the benefits of sustainable investing. And I'll tell you something else. From my perspective, as the CEO of a good sized company myself, I want our own company to be a sustainable company.

I want our own company to observe good E S and G practices. And that's very much part of what we do as a company, culturally, and from a sustainability perspective. So I do understand, and I do think that this is going to be an important part of the future and to [00:44:00] appreciate the work that you did in a pioneering perspective.

So we're now going to come to a somewhat of a speed round, kind of element to our show. And I'm going to first ask you a few questions and try to derive some key learnings for our audience. And then we'll go into our teaching moment. I'm just going to ask you three questions and just hope to get a quick answer from you. So let's start in our key learning segment, let's focus a little bit on maybe some things that didn't go right for you. What have been your biggest mistakes, or if you prefer your biggest learning opportunities, if you just see mistakes as learning opportunities?

**Peter Knight:** Well, obviously I made a tremendous amount of mistakes, I think from a career perspective. I think I learned that, you know, many cases you can't take your self too seriously. And that in Washington, you especially in politics one day, you're up one day, you're one day you're down and you need to make sure that [00:45:00] you, don't think of yourself as capable of being on that A-List when in fact you know, over time when, when new administrations come in.

So that's when I learned, I think I learned early on with politics is that you can be up one day and down another. And, it, you know, it always reminds me of that Little Feet song, I was a Little Feet fan back, back in the days, and Lowell George had us, forget exactly what the name of the song was, but it basically said I watch out what you do on the way up, because you might just meet him on the way back down.

And that's sort of been a golden rule for me to make sure to remember your roots where you came from, and not take yourself that seriously and also to help others on their, on their way up and to make sure because all of us have had those trials where we've either shifted careers or moved into something different and need the help. And so the mentoring of others is something I've always tried to do.

**Michael:** And speaking of mentors, did you have a couple of mentors that you would like to give a [00:46:00] shout out to?

**Peter Knight:** Well, you know, I think all of them have to start and stop with my partner for maybe 42 years and that's Al Gore. The journey that he and I have been on and I've been fortunate to, to be a part of it.

Not always so frontline on many of the things that he's accomplished, that he was a beacon, a light to me. We were pretty, we're still pretty close in age, but we kind of grew up together. But his commitment to the issues has always been super impressive to me. So I think, anything has to start and stop with him.

I think also our senior partner at Generation Investment Management, David Blood, who came from who was the CEO of Goldman Sachs Asset Management, taught me an awful lot about business, about investing. And it was a new world for me as you know, but it was his, advocacy and he is really good at it and learned an awful lot of lessons. And then there were a couple others along the way that were super interested in my career and [00:47:00] always there willing and eager to help me. And three or four folks like that. But those are the mentors that I've pointed out.

**Michael:** What do the next few years look like for you?

**Peter Knight:** The next few years for me, I think are concentrating on the two things have driven me, uh, through most of my career, which is climate, through my philanthropic efforts and sustainability and post Generation. We've put together a team with teammates, Beth Richtman and John-Austin Saviano a company called CYAN Capital Partners, which isn't intended to help fix parts of the investment value chain in sustainable finance. And so I'm going to devote my efforts to try to help younger firms. Come into the field and to take advantage of the tremendous opportunities that are there for them.

And so that I'm, I'm putting a lot of time and effort into that. My wife had said I failed retirement and that's certainly true, but, um, I've still got some time to go out and play golf.

**Michael:** For [00:48:00] anyone who wants to learn more. How do you spell cyan?

**Peter Knight:** CYAN.

**Michael:** And here's a big question for you. I don't know if you're going to be able to answer it quickly, but what's your legacy going to be?

**Peter Knight:** Well I think it really has to start and stop with your family. So I'm very proud of the fact, that my son has become a influential player in the field of sustainable and conservation finance. So as an actual true legacy, I think that's part, that's very important and he's got to have budding family, so that's critically important.

I don't think you can, yeah, you need to start with that. Listen I've just tried to do my best through a lot of the different aspects of the career. I think climate is probably the, it takes so much of us to help turn around those kinds of issues. And I'm trying to do my part and also helping to move capital markets to be towards a more just and sustainable economy. I hope I can nudge things just a wee bit.

[00:49:00] **Michael:** Great great. All right. Lightning round. Now, do you have a personal mission?

**Peter Knight:** Yeah, I think my personal mission is always to do the very best you possibly can. But on the side of my career goals, it includes helping to solve the climate crisis. Do my part in doing that and helping to push the sustainable finance field forward.

**Michael:** What single habit, technique, or tip would you offer that has helped you be your most extraordinary self?

**Peter Knight:** I think coming back to the, the idea of mentorship, I think is pretty important to me, that just the idea of helping people throughout their career and I will take almost any meeting to help a younger person, answer, you know, kind of the right questions, and be available to do that. I think is one of the most important things you can do and to work on, and to be the very best version of yourself.

**Michael:** And lastly, what's the best [00:50:00] advice you've ever either given to someone or received from someone?

**Peter Knight:** Well I think I've learned this through a painstaking, through a number of people tell me, but don't, don't work with jerks.

**Michael:** Don't work with jerks. I like that.

**Peter Knight:** And, you know, I put it in a negative context, but, but really try attempting through your career to work with really great people.

And I've made choices in the past where I didn't work with turned out to be not great people. And if I had done my due diligence, I might've known that. And all of those times that I have done that, it's been a mistake and it's been a mistake not necessarily costs but some times. So when you could do your due diligence and find out about, you know, what their mission is, what they're really about and so that you can move yourself into what you want to do and your mission in life and to do it on your terms, I think is really [00:51:00] what, what one wants to do over a career.

And that starts with it. Find out who you're going to be working with and don't work with jerks.

**Michael:** That's great. I love that. So I promise you that was the end, but I actually want to ask you one last question, which is, have you ever heard the term Renaissance person or man applied to you before? How does that feel? I mean, do you see that? Do you see, you've been, you've done so many things successfully. Has anyone else called you a Renaissance person or Renaissance man?

**Peter Knight:** No, you're well, you're very kind to even suggest that, but, you know, I don't have as many writing skills or music skills. So I was thinking of Renaissance in that capacity. I don't play the piano. I tried to play the clarinet one time, but Oh God, it was a total embarrassment.

**Michael:** Me too, by the way.

**Peter Knight:** I don't really think of myself. Hey, listen, I've been very fortunate. Careers are come and go and you get quite lucky in that. And I was quite lucky in many of the things that I've done. So, but thank you for that.

**Michael:** Well, I'm now gonna [00:52:00] refer it to you as a Renaissance, man. So thank you so much, Peter. That was, that was great. And thank you for being so sharing.  
Ladies and gentlemen, that is the extraordinary Peter Knight.

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