



What Works in Hedge Fund Marketing and Investor Relations

who, together with a team, raised \$2 billion in five years from professional investors worldwide

Part 1: How to Attract Prospects

1.4 What Roundtable Events and Specialty Clubs Can Do for You

1.4.1 Roundtable Procedure

Attending a roundtable event is a good way to attract attention to your fund, especially when you are new to the business. While roundtables are free for prospects, you may have to pay for this opportunity. At a roundtable event, the fund manager (not a marketer!) sits at his table, as a number of other fund managers sit at theirs, in the hope that many of the prospects in the room will come to listen to his presentation. After about 20 to 40 minutes, the bell rings and the prospects move on to another table. Normally, you have the chance to present your fund four to six times a day.

Roundtable Event Coordinators

- Roundtable Forum (New York and London) - www.roundtableforum.com
- Tiger21 - www.tiger21.com
- Greenwich Roundtable Forum - www.greenwichroundtable.org

1.4.2 Business Cards

A special business card will help people remember you. What about placing a photo of yourself and a short statement of the main benefit (not feature!) of your fund on your card? If transparency is part of your philosophy, why not use transparent paper? If you recently received a well-respected award, you might want to mention it, such as "Best long/short equity fund

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Europe 2008.” If investing in a certain country is your core competence, you might place the flag or another symbol of this country on your card.

Before you start your presentation, go around the table and shake hands with the prospects. Have plenty of business cards with you and hand them out.

This way, you are sure to get business cards from most of them. Not collecting business cards means that you may have missed securing a point of contact for follow-up.

It's a good idea to write the date, location, and anything else that you can track in your growing database on the business cards that you receive. This helps you organize your follow-up and secure a second meeting. You can impress your contact by saying, “Hi John, good to see you again. How have you done since we met last April in New York?”

1.4.3 Attention

To get your audience's full attention, don't hand out your fund marketing documentation at the beginning of your presentation. While speaking, make eye contact with your prospects. As you continue, you might want to hand out a certain page with numbers or graphs to illustrate the points you are making.

At the end of your presentation, leave them with something to remember. “If there is one thing I would like you to remember about our fund, it's...” Tell them where you think you have an edge and give them some proof. Marketing professionals call your edge a USP (unique selling proposition), or the unique benefit that you offer investors.

Important: If you cannot clearly explain your USP, sit down with your team and work it out. This is critical!

You want to convince your prospects to entrust you with their money and not one of your many well-established competitors. Also emphasize major awards that you or your fund has received in the past.

At the end of your presentation, hand out a copy of your entire fund presentation, reference list, and latest newsletter for them to take home for review.

1.4.4 Personality

Encourage your audience to interrupt you, but make sure that you get your main points across. In a few hours or days, your audience is likely to forget many of the intricate details of your presentation.

What they will remember is what kind of person you are. Are you an analytical thinker? Can you listen? How do you react when challenged by a tough question? Do you really know the market niche and your fund inside and out? Are you an honest guy who works hard for the benefit of your investors?

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1.4.5 Passion

Don't try to be funny. Your audience certainly likes to be entertained. However, when it comes to investments, they will be more impressed with your knowledge than your humor. For most people, money is a serious matter. Speak with passion about your product and that will resonate with your audience.

Important: Impress with competence and passion!

1.4.6 Due Diligence Kickoff

Although your strategy may be highly sophisticated and your audience may consist of professional hedge fund investors, a roundtable setting is not the place for extremely detailed information.

Keep it simple and to the point. You can give out details at a later stage. Your goal is to encourage your audience to start, and prioritize, their due diligence on you.

1.4.7 Drink Water

Giving one presentation after another can be physically and mentally taxing. Some people resort to drinking coffee to keep their energy level high. As you know, caffeine might give you a quick kick but then your energy level will drop like a rock. We think the best energy drink is lots of water!

1.4.8 Thank-You Email

You might have just given the best pitch of your life, but if you don't properly follow-up, it will all have been for nothing. As soon as you get back to the office, send an email to every prospect that was at your table. Your email can say something like, "Thank you for listening to my presentation at the roundtable event last week in New York. I hope this will encourage you to continue your due diligence on us. I am sending along our monthly newsletter to help you to monitor our performance. You are welcome to visit our office or request a conference call anytime."

1.4.9 Additional Prospects

After the roundtable event, you will receive a list of all of the participants, including the names of the other managers who presented and representatives of service providers, such as brokers, software companies, and administrators. Most of the information you receive will be incomplete. You will need to make an effort to acquire email addresses and other contact information. Stick with it, as doing this is worth the effort.

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Send an email similar to the one described above to the prospects that weren't at your roundtable. There is a chance that some of them may be interested in your fund yet missed your pitch. Some may have even listened to your presentation but ran out of business cards (this happens again and again).

This email can start something like, "As you know, last week I presented my fund at the roundtable event in New York. For your information, attached please find our latest monthly newsletter. I hope this will encourage you to do some more due diligence on us."

Make sure that you send this email only to institutional prospects. If in doubt, leave a particular prospect off your distribution list, as you want to avoid marketing to unqualified investors. Of course, this does not apply to funds for which you can do a public placement in the prospect's jurisdiction.

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About the Author

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Mr. Angersbach, a consultant on hedge funds, was the head of marketing support and investor relations for a start up hedge fund management company. During his tenure of five years, assets under management (AUM) grew from a seed capital of approximately \$8 million to about \$2 billion. In 1979, Mr. Angersbach received a master degree in business administration from Ludwig Maximilians University, Munich, Germany (Diplom-Kaufmann). Thereafter, he was a lecturer in accounting and finance and worked for an auditor. In 1982, Mr. Angersbach became vice president of a real estate investment company. Two years later, he joined Germany's then largest independent wealth management company. After four years, he became vice president of their branch office in Atlanta, Georgia. Since 1992, Mr. Angersbach has worked for two banks (CL and DZ) in Frankfurt, Germany. From 1995 till 2001, Mr. Angersbach was the CEO of a family office in Zurich, Switzerland, investing in private and public equity. In 2002, he joined the aforementioned hedge fund management company.