

ULLRICH ANGERSBACH



What Works in Hedge Fund Marketing and Investor Relations

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

Who should read this book and why

Can a good hedge fund manager succeed without being a great salesperson?

Hardly will he succeed, as professional prospects and investors want to talk directly to the fund manager. If the key fund manager is not convincing, they will not invest. Nevertheless, when it comes to marketing and investor relations, a lot of work can be and should be delegated to a qualified marketing and investor relations team. Otherwise, your prospects and investors may think that the fund manager is unfocused.

This book is a practical guide for both hedge fund managers and their marketing and investor relations professionals. We have written it for those in charge of growing the assets of a hedge fund management company.

- Are you looking to attract more prospects?
- Do you want to increase your conversion rate?
- Do you want long-term (sticky) investors who promote your fund?

We went all the way from a start-up hedge fund management company of some \$8 million to a public company with more than **\$2 billion assets under management in about five years.**

When we started, we had relatively little experience in hedge fund marketing. We and the team tried many different approaches, and along the way discovered what really works. This was an exciting experience for us and we hope that this book will inspire you to take your hedge fund marketing and investor relations to the next level.

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We have found that some of the finest fund managers often neglect marketing and investor relations. As a result, they miss the opportunity to further grow their business and build stronger relationships with their investors.

Since we know that your time is valuable, we attempt to get directly to the point and give you sound and practical advice. This book is divided into three parts:

- 1) How to attract prospects;**
- 2) How to convert prospects into investors;**
- 3) How to keep investors and have them promoting your fund.**

In this book, we provide many recommendations based on our real-life experiences. However, we don't want to be patronizing. We just want to be helpful. It's up to you to take your own actions. We would also love to get some feedback from you to improve our skills. For us, the topic of hedge fund marketing and investor relations is a never-ending learning experience.

This book will never truly be finished. The world of hedge funds is quickly morphing, from a pioneer business populated primarily with newcomers to a more established and regulated industry. Nevertheless, we believe that the basics will never change, as our fundamental objective is to cultivate and steward mutually beneficial relationships.

We thank all who have contributed to this book, especially former colleagues and third-party marketers who proofread and helped us to make this book more valuable.

But most of what we learned, we learned from prospects and investors. They have been the most challenging teachers, as to meet or even exceed their expectations is key to any business success.

Here is our story and the lessons that we learned.

Disclaimers

- For simplicity, we will use the male version of words or expressions, i.e., use "his" instead of "hers or his."
- We are not lawyers and therefore do not provide legal advice or expertise.
- We suggest retaining legal counsel from an experienced hedge fund / private placement lawyer. No professional fee is too high in comparison with the risks you face when you deal with hedge fund investors.

Acknowledgments

This book is the sum of all what I learned from a team of hedge fund professionals, potential investors, investors and many hedge fund service providers. And because I'm aware that at the end this book is a team effort I use the word "we" instead of "I". This way I would like to honor all those who contributed to this book and say to you: "Thank you very much!"

One person I would like to mention by name as he contributed more to his book than any other person: It's William Marvel, a marketing expert and MBA from Boston. Some chapters of this book had been substantially improved by his professional input.

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About the Author

Ullrich Angersbach

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.