

DEVELOPING A GLOBAL TARGET LIST

The Global Target List (GTL) is the foundation of any fundraising campaign. Thus, the goal of every fund marketer should be to assemble a GTL, which is a comprehensive list of all potential investors who are best suited for a firm's type of fund and strategy.

Unfortunately, many fund marketers do not take the time to compile a GTL. Rather, they take the path of least resistance and buy a contact list from one of the many alternative investor directory providers. Then they begin blindly canvassing institutions in hopes of finding alternative investors who are a fit for their firm. This marketing strategy is pervasive and it creates an enormous amount of unnecessary activity, wasting both marketers' and alternative investors' valuable time.

Parker Point Capital (PPC) works with fund manager clients to design every fundraising campaign around a GTL that is prescreened for investor interest and thus greatly improving the quality of investor meetings and the prospects for capital allocations.

COMPILING THE GTL:

Assembling a GTL is a three-step process. PPC begins by updating a fund manager's internal investor database to accurately reflect investors' current mandates. Next PPC uses a current prescreened alternative investor database that identifies net new investors who have open mandates for the client's type of fund and strategy. Finally, PPC suggests that their fund clients poll their existing LPs to receive leads and referrals directly from their own stable of investors.

Step One: PPC Updates a Client's Internal Investor Database

Most fund managers have internal investor lists that are a combination of investor contacts compiled over the years, old-out-of-date commercial investor databases, and investor lists that were traded or bartered from days gone by.

A fund manager most likely has had some level of communication with the investors in the internal database. The interaction may have ranged from a few phone conversations to a compelling relationship. Either way, PPC can contact these investors and potentially jump-start new dialogue with the fund manager.

PPC updates a client's internal investor list with its parent company, Brighton House Associates' mandate database of 5,500 investors. BHA has not only interviewed these investors in the last

90 days for their manager search activity but it has also built algorithms that can synchronize the manager's list against BHA's mandate data. This process typically achieves a 60% to 65% hit rate. That is, for every 100 contacts in a fund manager's database, BHA typically has current contact and mandate information on 60 to 65 investor contacts. Additionally as part of the PPC service, the remaining 35 to 40 records in the fund manager's database are passed on to the BHA research analyst team to contact and update the investor record and uncover any active manager searches.

This is a simple yet powerful step. By adding active mandate information to the manager's current network of investors, PPC marketing executives can search a fund manager's database of investors to identify firms that are prospects for an introduction during the campaign.

Step Two: Procuring a Prescreened Investor Database

PPC has a very powerful tool to use when identifying investors to contact on behalf of a fund manager. BHA's mandate database is a prescreened investor database that helps PPC uncover net new investors—investors with whom the fund manager client has not had a previous dialogue. PPC marketing executives can search BHA's database for investors, screening and filtering on 26 data elements, such as the investors preferred fund type and strategy as well as other investor criteria. BHA's alternative investor mandate database has 13 categories of alternative institutional investors, including the latest "hot" categories of family offices between 500 million and 1 billion+ AUM, pensions, endowments and foundations between 1 billion and 10 billion AUM, and consultants that are guiding the institutional investors into the alternative arena. Of the investors in BHA's database, 40% are in North America, 40% are in Europe, and 20% are located throughout the rest of the world. Searching BHA's mandate database typically adds 200 to 500 new investors to a fund manager's GTL.

Step Three: Polling Existing Investors

The final step in compiling a GTL is for managers to leverage their current LP networks. These networks are usually another excellent source for net-new targets, since many investors have relationships with other similar investors. For example, family offices tend to know other family offices, endowments know other endowments. PPC encourages their managers to learn how to leverage investors' peer networks. Fund managers should take the time to understand why each LP invested in their fund. Then they should inquire who in an investor's network may also be a fit for the strategy. In the alternative investment space, an investor referral is one of the best marketing tools, yet many managers fail to use it. Managers who take the time to plumb this resource may be surprised at the willingness of investors to make referrals.

READY TO FUNDRAISE

After updating the internal investor database, procuring a prescreened investor database, and polling existing investors, the GTL is complete. At this point, PPC is ready to begin reaching out to investors on the GTL and introduce the fund manager. The marketing campaign is poised for success. The PPC marketing team not only canvasses the GTL at a much faster rate but also targets only those investors who are a fit to the manager's strategy. Leveraging the GTL produces a focused and efficient marketing effort which results in relevant and effective investor introductions.

ABOUT PARKER POINT CAPITAL

Parker Point Capital ("PPC") is a licensed broker-dealer which delivers marketing campaigns with no long term commitments or associated success fees. PPC works in concert with a fund's marketing staff to schedule introductory meetings with qualified accredited investors. This campaign centric model is delivered in 12 week increments designed to complement and enhance a fund's internal fundraising efforts. Managers using the service benefit from our campaign management capabilities to directly market their funds through conference calls, meetings, and road trips.