

Johnson & Company

“MARKETING ALPHA”

“NO BS” ♦ NO PROPAGANDA ♦ NO HYPE



14 Years As the ONLY Marketing + Fundraising Specialist
Exclusively For “Sub-Institutional” & “Smaller Emerging” Managers.

INFORMATION ♦ INSIGHT ♦ INTELLIGENCE ♦ INSTRUCTION ♦ INTENSITY ♦ EXECUTION



Bryan K. Johnson - Managing Partner

- 30+ years experience as a principal investor, marketer/salesperson, advisor & expert witness within hedge funds, private equity & venture capital.
- Personally raised \$3+ billion & Sole GP of \$100 million fund.
- Global Head of Business Development for the Alternative Funds Group (AFG) with Moody's Investors Service in New York City.
 - Senior Relationship Officer (SRO) actively called on investment executives and board members at endowments, foundations, Taft-Hartley plans, single and multi-family offices, public pensions, broker-dealers, RIAs and institutional consultants.
 - Led deployment of Operational Quality (OQ) ratings for hedge funds, credit ratings for alternative investment securitizations, Collateralized Fund Obligations (CFOs) and debt obligations of alternative asset managers. Clients: Citadel, Fortress, King Street, Marathon, SAC, Millennium, Brevan Howard & Marshall Wace.
- Before tenure with Moody's, served as senior lead consultant and chief expert witness for The Texas Office of The Attorney General and The State of Texas in the evaluation of hedge funds and private equity firms involving disposition of the generation assets of Texas Genco and the multi-billion dollar true-up of Centerpoint Energy (CNP:NYSE).
- Prior to representing State of Texas and Texas Office of The Attorney General, CEO/Founder of Gotham Bay Partners, an alternative investment firm which developed investment policy and asset allocation strategies for 60+ private wealth investors and family offices as well as evaluated single manager and pooled private equity and hedge funds.
- B.A. - Washington and Lee University (Lexington, VA) 1986.

MY FIVE (5) CORE PRINCIPLES

1.

“EDUCATION BEFORE EXECUTION”.

2.

“PRESCRIPTION BEFORE DIAGNOSIS IS MALPRACTICE”.

3.

“SEEK TO UNDERSTAND BEFORE SEEKING TO BE UNDERSTOOD”.

4.

“NEVER SELL; BE OF SERVICE”.

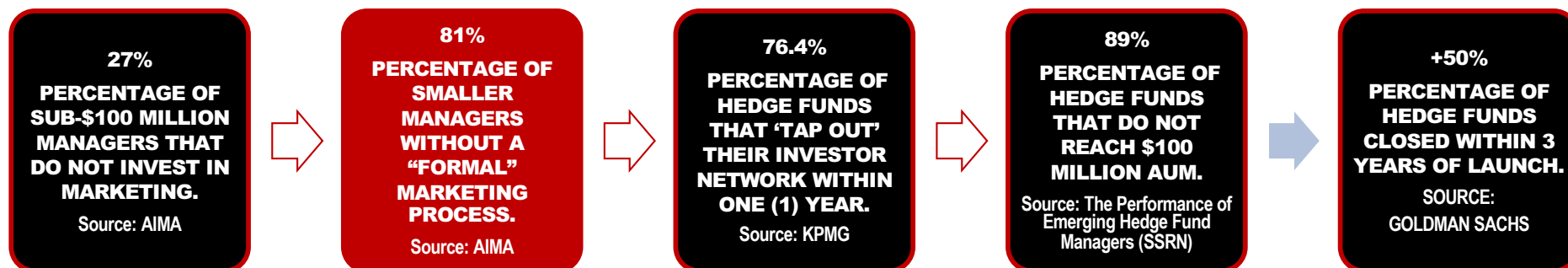
5.

“COMPLEXITY DEMANDS COLLABORATION”.

Lack of candor is a “success killer”. No person or business should operate without candor. When supported by “HARD FACTS” (high-integrity independent research and data), candor is the foundation for realistic expectations and eliminates the delusions as well as the magical thinking some managers have about their ability to raise assets, the length of time it takes to raise assets and the real costs as well as hard work involved marketing and raising assets.

Candor brings accountability and self-awareness. When candor is lacking often accountability and self-awareness are also absent. Candor, accountability and self-awareness are the life-blood of continuous improvement and sustained high-performance. Success and results are rarely ever achieved without them. As such, the most important aspect of “Marketing Alpha” is the level of candor within every conversation at every point in the process: “NO BS”. This approach enables a manager to decide, based on “FACTS not FEELINGS”, whether or not to make THE complete commitment required to execute the marketing process at the level mandatory to get results raising assets.

THE "FACTS" OF MARKETING + FUNDRAISING FOR "SUB-INSTITUTIONAL" & "SMALLER EMERGING" MANAGERS.



The fundraising climate is hyper-competitive and crowded.
(18,000+ U.S. hedge funds + 4,000+ private equity/venture capital GPs actively fundraising in 2025).
Investors are risk averse, hyper-skeptical, stringently selective and idiosyncratically demanding.

"Firms lacking a high-quality sales and marketing strategy may struggle to attract assets and face a higher probability of shutting down".
Source: Agecroft Partners - Top hedge fund industry trends for 2024

"Performance is of secondary importance to perceived safety and a reduction of headline risk. As such, a high-quality product and strong historical returns are not enough for small managers to attract assets. They need an effective sales and marketing strategy. Managers must realize that high-quality marketing is a critical element of a hedge fund's survival and success".

Source: Don Steinbrugge, Founder and CEO of Agecroft Partners
Agecroft Selected by HedgeWeek and/or HFM 13 years in a row as Hedge Fund Marketing Firm of the Year.

"MARKETING ALPHA": IT'S NOT ONLY VITAL; IT'S NOW MANDATORY.

Most "sub-institutional" (AUM less than \$100 million) and "smaller emerging" managers as well as those considering starting a "fund" are often highly-skilled in research, trading or some form of investing but do not have the necessary experience, expertise, skills and investor relationships for marketing and fundraising. As a result, they lack critical understanding of the FACTS about the demands, requirements, nuances and complexities of the marketing process along with a grasp of the communication, presentation and engagement skills mandatory to be successful raising assets.

Marketing and fundraising for "sub-institutional" managers are completely different than for more-operationally seasoned institutional managers and firms with substantial or large AUM. Failure to completely understand critical distinctions of the marketing process between "sub-institutional" and "institutional" managers along with limited experience with the numerous qualitative and quantitative requirements, nuances and complexities of marketing and fundraising on a "manager-specific" basis leads to mistakes that are expensive and can be fatal. As a result, most new and smaller managers, especially those with AUM less than \$100 million, chronically fail raising assets.

"Appropriate" MARKETING PROCESS EXECUTION requires knowing WHO to "engage" with, WHEN to "engage" and HOW to "engage" to achieve the core of every allocation: "TRUST" i.e. "ACTIONABLE CONVICTION". However, most "sub-institutional" managers firmly believe the investment decision is all about "performance" without consideration of the numerous qualitative, quantitative and idiosyncratic criteria an investor may utilize in their manager evaluation and selection process. The lack of information, insight and intelligence into the "real drivers and catalyst of an allocation" are why most "sub-institutional" and "smaller emerging" managers chronically struggle and fail raising assets.

Marketing & Fundraising: Distinctly Separate Processes But Critically Complementary.

Marketing and fundraising comprise a dynamic, complex and complicated puzzle. The marketing process requirements to succeed raising assets are often grossly under-estimated and completely mis-understood by most smaller managers. As a result, marketing execution is poorly-strategized and haphazardly executed leading to failure raising assets.

Sub-Institutional" and "smaller emerging" managers must be optimally prepared and equipped with the "appropriate" marketing process, resources and skills required for the consistent high-level execution now mandatory to succeed raising, retaining and expanding AUM.

THE CLIMATE + REALITY OF MARKETING & FUNDRAISING FOR “SUB-INSTITUTIONAL” & “SMALLER EMERGING” MANAGERS.

MOST “SUB-INSTITUTIONAL” and “SMALLER EMERGING” MANAGERS RARELY GET AUM BEYOND PERSONAL CAPITAL ALONG WITH SMALL INVESTMENTS FROM FAMILY AND FRIENDS.

Most smaller managers firmly believe raising assets is all about “investment performance”. As such, “Marketing” = A “Pitchfest”.

Filled with the firm conviction that historical and future investment performance will quickly attract assets, the expectation is to easily reach the “credibility threshold” of \$100 million AUM, swiftly attain \$250-\$300 million AUM, the “minimum critical mass” for institutional assets and very shortly be in the “global institutional fundraising sweet spot” of \$400 million - \$2 billion AUM. At such point, they will be large enough to optimize fundraising due to the ability to “market” and possibly attract assets from all investor segments but also remain small enough to be “nimble” and avoid the dreaded “dis-economies of scale” associated with large AUM that characterizes the fund/firm as merely an “asset gatherer”, devoid of the desire and capability of delivering actual performance to investors.

However, within a short period of time, usually after constantly “pitching performance”, “posting performance and content” and “partying” i.e. “going to conferences” for quite a while with little success raising assets, the belief that AUM growth would occur quickly and somewhat easily due to performance begins to diminish, as the anticipated consistent acquisition and momentum in growth of AUM fails to meet expectations. For some, an awareness begins to set in that it takes more than “performance” to raise assets. A deep look reveals that investors, intermediaries and allocators now analyze managers more expansively and more broadly when considering to invest, especially in smaller managers: They have shifted to a multi-factor manager evaluation process encompassing numerous qualitative and quantitative aspects along with idiosyncratic criteria that goes well-beyond “investment performance” as THE only defining metric in the allocation/investment decision.

In a climate with persistent crisis, global geopolitical instability, elevated volatility and greater uncertainty, the skepticism, stringency and selectivity of investors is exacerbated. Subsequently, investor requirements of managers and funds becomes more stringent. In turn, the difficulty, complexity, requirements, time and expense of marketing are heightened, which makes capital raising a greater challenge, particularly for smaller managers.

“Performance does not raise assets”, even when it is “exceptional” on a risk-adjusted, relative, peer or absolute return basis.

WHAT IS “MARKETING ALPHA”?

An assisted “step-by-step” structured, disciplined, focused and intensive marketing process that combines high-integrity independent data and research, 30+ years of experience with sharpened inter-personal skills and proven relationship-building strategies, tactics and tools to optimally position, prepare and equip a smaller manager for success raising new assets as well as retaining and expanding AUM in a crowded and hyper-competitive climate by consistently executing the “appropriate high-impact investor-centric; prospect-specific engagement” essential to achieve “TRUST” (“ACTIONABLE CONVICTION”) with risk-averse, hyper-skeptical, idiosyncratically demanding and stringently selective investors, allocators and intermediaries.

WHAT DOES “MARKETING ALPHA” DELIVER?

- ❑ The "FACTS": Accurate information and objective insight with frontline intelligence about the nuances, intricacies and crucial aspects of marketing and fundraising for "sub-institutional" (\$0-\$100 million AUM) and "smaller emerging" managers.
- ❑ Eliminates the "BS": Enables "sub-institutional" and "smaller emerging" managers to get beyond the hype, noise, propaganda, scams and wrong information about marketing and fundraising that leads to delusional/magical thinking about the ability to raise assets, the requirements and expense of the marketing process and the time it takes to raise assets.
- ❑ Details the strategic, tactical, operational and financial issues that impact fundraising on a "manager-specific" basis.
- ❑ Stops inappropriate, improvisational and ineffective marketing that wastes time, money and effort but leads "sub-institutional" and "smaller emerging" managers to experience chronic struggle, frustration and failure raising assets.
- ❑ Implements the “manager-specific marketing process” mandatory for "sub-institutional" and "smaller emerging" managers to consistently execute “appropriate, step-by-step, high-impact investor-centric; prospect-specific engagement”, essential to achieve “TRUST” i.e. (“ACTIONABLE CONVICTION”) with risk-averse, hyper-skeptical, idiosyncratically demanding and stringently selective investors, allocators and intermediaries who conduct deeply invasive multi-factor qualitative and quantitative due diligence that has expanded strategically and tactically.
- ❑ Prepares, equips and positions "sub-institutional" + "smaller emerging" managers to stand-out in a crowded and hyper-competitive fundraising climate by catalyzing high-integrity independent marketing data and research from +30 years of experience and skill to enable economical, efficient, expedient and effective fundraising execution.
- ❑ Organically builds and maintains a qualitative and quantitative marketing pipeline comprised of the most suitable investor prospects given the manager’s profile and geographic/relational footprint + opportunity set.
- ❑ Installs the vital elements for consistent, sustained and appropriate pipeline engagement that enhances the manager’s visibility, awareness and relationships (Marketing VAR) within the manager’s geographic and relational footprint + opportunity set.
- ❑ Optimally provides experienced “manager-specific” marketing process execution with the “correct” resources, strategies, tactics, skills and tools” in tandem with the candor, accountability, focus, discipline, structure, intensity and consistency mandatory for "sub-institutional" + "smaller emerging" managers to succeed fundraising.

“MARKETING ALPHA IS A PROCESS”

NOT a “boot-camp”, “masterclass”, “seminar”, “workshop”, “conference” or “event”.

There is too much “BS” available about marketing & fundraising for “sub-institutional” managers.

Most of the BS, hype, propaganda, absolutely wrong information and scams are delivered via social media channels, boot-camps, classes, seminars, workshops, conferences, podcasts and “events”, that offer lots of “sizzle” i.e. a “secret” that unlocks millions in AUM, “a hack or shortcut” to raise millions fast” or the promise to meet “lots of family offices”. Additionally, these “events” bring in “motivational speakers” to get the capital raising manager in the “right” mindset. Also, these events tend to be filled with people and firms looking to “sell products and services” rather than REAL investors.

The “party and entertainment” atmosphere at these events do not get a new or smaller manager ‘optimally prepared’ to raise assets. In fact, they lead to improvisational, inappropriate, inconsistent and ineffective marketing and fundraising execution, which ends with failure raising assets + wasted time and money. Further they do not provide an acute understanding of the “real-world” multi-factor qualitative and quantitative requirements for a first-time, new or smaller manager to raise assets for fund. Instead, they promote unrealistic expectations of what can be achieved when first-time, new and smaller managers attempt to start a fund and raise assets.

Most importantly, these events lack the critical ingredients for success starting a fund, launching a manager and raising assets:

A structured, disciplined and focused PROCESS using independent high-integrity data and research, experienced individual guidance and acute personal attention with the candor and accountability that provides the information, insight, instruction and intelligence necessary for consistent marketing process execution at the level that gets results raising assets and growing AUM in a hyper-competitive and crowded fundraising climate filled with stringently selective, “low-trust”, risk-averse and idiosyncratically demanding individuals, family offices, institutions, advisors, gatekeepers & allocators.

IMPORTANT NOTE: Most institutions, allocators and family offices rarely attend “conferences & events”. Research clearly shows investors have “established networks” to identify managers. In fact, the data confirms that “personal networks of investors” are the primary and most powerful source to raise assets and identify managers. Moreover, most Institutions, allocators and family offices are extremely selective in the gatherings they do attend, this is particularly true for family offices and private wealth that place high value on anonymity, confidentiality, security and privacy.

FACT: Raising assets isn’t easy and doesn’t happen quickly from institutions, family offices and intermediaries.

Raising, retaining and expanding AUM is a triathlon. The swim, bike and run are marketing, capital raising and investor relations! **It takes a “PROCESS”** along with patience, discipline, money (YES, it takes money to raise money!) and skill to WIN! Whether a manager is new, smaller or large, inexperienced or seasoned-institutional level, raising assets and growing AUM rarely happens with the speed, velocity and consistency expected (even when exceptional outperformance is present!).

Johnson & Company

“MARKETING ALPHA”

INFORMATION ♦ INSIGHT ♦ INTELLIGENCE ♦ INSTRUCTION ♦ INTENSITY ♦ EXECUTION

“NO BS” ♦ NO PROPAGANDA ♦ NO HYPE

**FOR A “NO BS” CONVERSATION ABOUT MARKETING + FUNDRAISING FOR
“SUB-INSTITUTIONAL” AND “SMALLER EMERGING” MANAGERS, CONTACT:**

Bryan K. Johnson, Managing Partner

bryan@johnsn.com

www.Johnsn.com