



Insurance Boutique Pivots to Third Party Investor Business

Challenge: High Turnover, No Independent Identity



A private debt asset manager that was wholly-owned by a major insurance company faced two major hurdles to growing its third-party business. First, the manager was unknown in the institutional marketplace, as the bulk of their assets were for the book of their insurance company parent, and almost all of their third party business had come via a referral partnership that was expiring. In addition, four of the manager's top portfolio managers had left to form a competitor firm over the previous 18 months. The departing PMs had served as the primary contacts for the firm's third party investors.

Approach: Build a Strong New Identity

We identified three key attributes of our client's product that would resonate with conservative institutional investors:



- 1. Capital Preservation Is Paramount** - Our client tilted heavily to capital preservation in its underwriting approach, leading to a very low history of credit losses
- 2. Strong Aligned Ownership** - Highlight the strong balance sheet and reputation of the parent insurance company
- 3. Radical Transparency on Turnover** - We counseled our client to begin sharing its management succession plans with clients, consultants and prospects more than two years ahead of time.

Impact: Lost AUM Fully Replaced

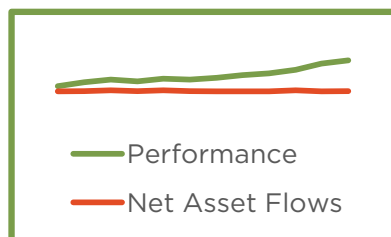


In the first twelve months of implementing the new message we created for them (including a marketing presentation, new RFP + DDQ language, new performance reports and investor website), our client fully replaced the lost AUM from its former marketing partner with new institutional capital. The firm now has a strong pipeline of new institutional clients.



Poor Asset Flows Despite Outstanding Performance

Challenge: Strong Performance, No AUM Growth



A well-established equity fund of funds had generated award-winning investment performance and distribution on three large RIA platforms. Despite intense marketing efforts the manager had failed to attract new capital.

Approach: Spell Out Investor Benefits



Chestnut determined that most RIAs did not understand and could not articulate the important role this fund could play in their clients' portfolios.

We created a new marketing presentation and supporting materials for our client, clearly defining the important portfolio diversification benefits of an investment in the fund.

We also created a script that RIAs could use when giving the presentation to their clients.

Impact: Fund Size More Than Doubled

“The clear, crisp story Chestnut created for us was a huge part of our recent growth”

- Fund CIO

The manager's AUM more than doubled over the following twelve months, with over 80% of the new assets coming from retail investors.



Identifying the Right Target Investors Leads to AUM Growth

Challenge: No Institutional Interest



A regional multi-family office had created a custom fund-of-funds that met their existing clients' needs well. Our client believed institutions would also benefit from this product. After spending a full year holding over 100 meetings with institutions, our client had raised zero institutional capital for their fund.

Approach: Identify and Address Bullseye Target Investors



The Chestnut team approached this project in two steps:

1. Custom Market Research: We conducted interviews with a subset of our client's current high net worth investors and institutional prospects. Our research showed that the characteristics of the new fund-of-funds did not address major needs in any institutional investor segment. The research also provided a good description of the type of HNW investor best suited for this firm's offerings.

2. New Message Aimed at New Target Investor: We created a new marketing message clearly articulating the benefits targeted HNW investors would gain by investing with our client. We also created accompanying materials (marketing presentation, elevator pitch, product one-pagers, etc.).

Impact: Firm AUM Has Tripled



Our client implemented their new message aggressively and invested in an expanded distribution network that was taught the new marketing story. Over the following two years the firm's AUM has more than tripled, with over 90% of the assets coming from the new target high net worth investor segment.
