

## NEWS YOU CAN USE

# Hedge Funds Prosper Under Intense Media

By Thomas Walek,  
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Two hundred times every business day, the world's press writes about hedge funds. And two hundred times a day investors, regulators, government officials and the public read about and form opinions about hedge funds based on what they read in the press.

Love them or loathe them, the media today shape the world's knowledge and opinions about the global hedge fund business. And savvy fund managers, fund-of-funds, administrators and vendors in the hedge fund industry are learning to live with and prosper under this intense media attention.

Based on the latest research from Walek & Associates, the world's media wrote about, cited, quoted or otherwise included "hedge funds" in their print and broadcast articles 48,241 times in 2006. That's up more than 20 percent over the 2005 total and more than double the number of articles posted in 2003 (see chart).

And it is not just newsletters and trade magazines that are writing about

hedge funds; nearly half the 48,241 articles published in 2006 appeared in major news and business outlets.

## Using the news

How do savvy hedge fund managers deal with all this press attention? Traditionally, this group never wants much attention. But as the attention continues to grow, hedge fund managers are using the press in important, business-building ways. Here are just a few:

### Differentiate

Communicate what makes you different and sets you apart.

### Build a brand

Help make your firm more than just a product or a performance number.

### Portfolio positions

Support investment positions and activist shareholders.

### Investor communication

Leverage reach and credibility of the media to communicate transparency, expertise and leadership to investors.

## Who are the media and what do they want?

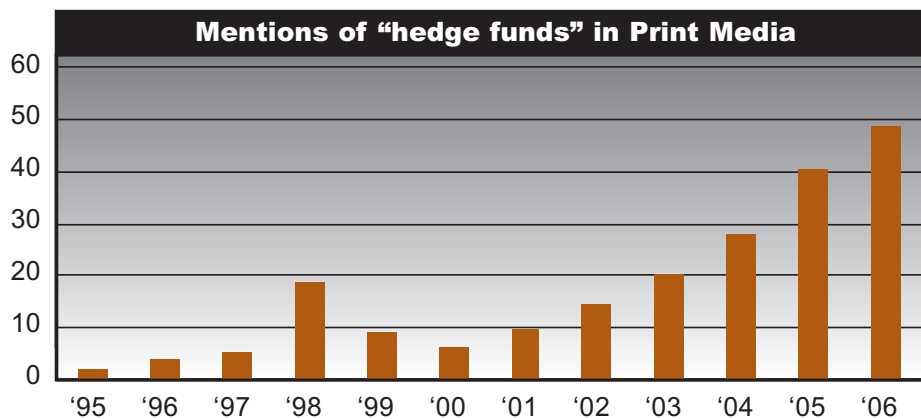
Journalists at newspapers, blogs, web sites, magazines, newswires, radio, television and many other outlets need news and articles to write. And at a time when hedge funds are part of virtually every major deal, business and market trend, journalists today want to talk to hedge fund industry executives.

In fact, in a recent proprietary survey of financial journalists, we found that when faced with the option of talking with either a mutual fund manager or a hedge fund manager about the markets, 100 percent of journalists polled said they preferred a hedge fund manager on the other end of the line.

While managers are restricted from talking about specific funds, fees or performance, most have the leeway to talk about market news, investment trends, company analysis, transactions, takeovers, forecasts, outlooks - in other words, most of what the press wants and needs everyday.

There are also occasions when the media will profile fund managers and take a deeper look at how they operate. No matter what story it is, the media needs you.

In today's media-saturated environment, even the decision not to talk with the media must be a strategic one and handled properly. In everyday business, a crisis or a critical situation, a media strategy is a must-have.



Articles in thousands. Source: Factiva and Walek & Associates' Research

# Focus

## What is your story?

It is important for hedge fund managers to approach the media with a clear and compelling message. As you consider your story and market position, think about what you want to be known for in today's crowded marketplace. Then consider how to communicate your message. It starts with your expertise and how you want your business to grow – a narrow focus, a global strategy, a fund family, etc. Once your story is determined, your ongoing marketing will then have a direction and logic.

## Checklist for success/questions

Here are some initial key issues that hedge funds executives need to consider as they form their own media strategy:

- Understand what the press wants and how they operate
- Have your own agenda and message every time you talk to a reporter
- Build and maintain relationships with key media
- Try to avoid “no comment”
- Assume everything is “on the record”

Thomas Walek is President and Founder of Walek & Associates, the leading independent public relations firm serving the alternative investment community.

# Feedback: Making the Most of Conferences

14 years ago, Horizon Cash Management asked a host of industry professionals to contribute their best tips for making the most of a conference. As conferences, seminars and other industry gatherings have proliferated over the years, we thought it appropriate to catch up with some of those original contributors to see what new tips they might offer.

I've been attending conferences for at least 20 years and attend about 2-3 conferences each year. These days, I leave almost everything to chance. I schedule very few meetings in advance and just get into the flow of being at the conference. I like meeting new people and learning about their business. The key for me is to listen carefully to what people are saying and try to determine whether there is something about what they do that can be enhanced or improved by something that we do, or vice versa. I especially enjoy the networking opportunities presented at conferences.

– *Sol Waksman*

President, Barclay Trading Group, Ltd.

After 21+ years of “conference-going,” I would say not a lot has changed.

- I still try to pre-schedule a few meetings with people who are not local.
- I still leave most time uncommitted.
- Lately, I try to get an attendance list in advance, to see who is attending that I may want to: a) pre-schedule a meeting with; or, b) keep a sharp eye out for.
- It's most important to manage your own expectations: don't try to come away with new business, but having captured new leads and having furthered existing relationships.

– *Annette Cazenave*

R.J. O'Brien & Associates

Trips to a conference should be one part of a complete marketing plan. Before going to a conference you should figure out how much money you have to spend for marketing in a particular year and how much time you can be on the road to follow-up. With these two elements in place, you can determine if a particular conference and its cost fit into your marketing plan.

– *Bucky Isaacson*

President, Future Funding Consultants, Ltd.

In 1993, Jerry Harris wrote: "At international conferences, it is especially helpful to have a "dual time zone" watch. But be sure it tells not only the time at home but the day of the week!" Recently, Jerry wrote us to say: "My original quote about the watch has proved invaluable and thus still stands. In the years (and millions of frequent flier miles since) I have also learned that keeping a calendar (to know what month it is) as well as pictures of my wife and son (to remember what they look like) have proved handy!"

– *Jerry Harris*

Director of Business Development, Welton Investment Corporation