

## Asset Alliance To Re-Seed Firms

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Asset Alliance is looking to launch an emerging manager re-seed fund that will invest in emerging managers that saw their businesses stymied by the market turmoil of the past few years that has kept many institutions from putting new capital to work and resulted in many pulling assets back.

"The reason we are going to re-seeds is because in 2008 and 2009, a lot of good young managers with strong strategies had to give back capital," said Bruce Lipnick, CEO and chairman of Asset Alliance, calling those firms "stuck in the mud."

The firm was founded in 1996 to begin providing seed capital to emerging managers but has never turned to outside investors to raise assets.

The benefit to a re-seed fund is investors will have access to firms that already have a track record and a demonstrated ability to perform, Lipnick said. "We feel it is a good sweet spot. We feel putting together a fund with our track record, we can go out and re-seed these people, give them capital and help them grow."

Ultimately, Lipnick expects the fund to invest \$25-50 million each in approximately 10 managers. He said the fund will be diversified across various strategies.

The fund would be structured so that institutions investing would receive the stake in the managers, which can provide an additional source of return based on the growth of the respective managers in the fund.

"It is very difficult for institutions to justify going out and giving assets to fund-of-funds ... this way you are getting the return as you normally would ... but if a manager grows you get another incremental rate of return," he said.

Lipnick said interested managers can contact him at 212-207-8786.