

# Emerging Manager monthly

A Publication of  
Financial Investment News

November 2014

[www.emergingmanagermonthly.com](http://www.emergingmanagermonthly.com)

Vol. IX, Issue 11

## Firm Specializing In Investment Team Lift-Outs Launches

A new firm specializing in investment management team lift-outs launched last month.

The firm, Attacca International, works with investment teams to assist with a lift-out by either a private equity firm or to another asset management firm, said Mark Yancey, principal and founder of the Dallas-based company.

Yancey, who was previously a managing director and director of client service and marketing at Aristotle Capital Management, and prior to that, was a managing partner and director of marketing and sales at Hillcrest Capital Management, said his experience working at investment management firms has been beneficial in assessing a lift-out and understanding the necessary environment that will take a team from "success to significance," whether it be autonomy, improved economics or another factor.

With lift-outs becoming more prevalent, Attacca will work with investment teams to access private equity funds that are aggressively seeking quality investment management firms and investment managers that are also looking to add on teams to their product lineup.

"The high demand areas are international equity, global equity, emerging market debt and equity and alternatives strategies," Yancey said. "If firms don't have (those strategies), they are exploring ways to gather that expertise."

Yancey said Attacca finds an investment team looking to be lifted out of their current situation and serves as their advocate, reporting to various private

equity funds he has established a relationship with to find the best opportunity. He does not have any structured deals in place with the private equity funds.

Generally, Attacca receives payment by the private equity firm should a deal be consummated.

Yancey said the current environment, particularly in the long-only space, has made it difficult for firms with a limited product offering to grow and stabilize their businesses.

"There are a number of small shops I am talking to right now that are contemplating this type of move, primarily because of two reasons. One is the lack of distribution in that they simply don't have the balance sheet or knowledge about how to get themselves from \$100 million or \$300 million in AUM up to some level of significance. And number two is generally these emerging manager shops are one product shops, not all of them but most of them," Yancey said.

He added: "I believe that emerging manager shops, the ones that are good, that really have a passion for investing, have a well thought out investment methodology, they are now thinking that, 'Gosh, I have got to figure out a way to get distribution and marketing or I am going to be sitting here in the same place five years from now.'"

Attacca has a partnership with London-based Godliman Partners, which is primarily an executive search firm but also works on lift-outs, to expand its reach into Europe, the Middle East and Africa.

The partnership allows the firms to leverage their regional expertise to access attractive firms.