THE EMERGING MANAGER GROWTH SHOW WITH GUI COSTIN

EPISODE 49

Public Pensions

Emerging Manager Growth Show #49

Agenda

1. Opening Remarks from Gui Costin, Founder & CEO
2. Who is Dakota?
3. Be Kind & The Dakota Way Books
4. Market Update
5. Fundraising Roundup: Public Pensions
6. Fundraising Best Ideas
7. Concluding remarks & announce next show

The Dakota Way & Be Kind Books

- The Dakota Way is available now on Amazon in both Kindle and softcover. The book outlines Dakota's four core principles of investment sales:
    1. Set Expectations
    2. Know Who to Call On
    3. What to Say
    4. Execute a Killer Follow-Up System
- **Be Kind:** is a lessons-learned leadership book. Email gui@dakota.com with your mailing address to receive a signed copy of either book.

Market Updates

- Dakota is currently in the market with 8 strategies raising capital across long-only equity, long-only fixed income, private equity, private credit, real estate, real estate credit and hedge funds.
- Across the board, whether a manager has a long track record or a short one, allocators are active. Search activity is strong across all channels and people are taking meetings.
- The job of a salesperson is to reach out, be consistent and follow the process. With Q4 underway, Dakota is already planning 2027 travel and roadshows into key end markets.

Fundraising Roundup: Public Pensions

Public pensions often have dedicated emerging manager programs, which makes them a must-call channel for any emerging manager.

1. Don't Wait to Start

- Many managers wait until they have a 3 or 5 year track record, or USD 300 million, USD 500 million or USD 1 billion in AUM. Don’t wait. Small and new is exactly when many of these programs want to work with you.
- Allocators appreciate the startup mentality of a new, small manager.

2. What Counts as "Emerging"

- The definition varies from one pool of capital to the next. It is usually based on AUM, but can also depend on track record, ownership (majority women-owned, minority-owned or diverse-owned) or number of employees.
- Programs are listed in Dakota Marketplace, and details can also be found on each plan’s website and in annual reports.
- On the private side, plans look for first, second and third vintage funds from managers that are early and off the ground running.

3. Example Programs

- CalPERS: one of the largest, with a dedicated emerging manager program
- Maryland State Retirement: looks at both traditional and alternative strategies
- Texas Teachers
- LA Fire and Police: looks at public market managers around USD 30 million in AUM and real estate managers around USD 100 million

4. Emerging Manager Consultants

- Many large plans use a consultant. Call on the plan’s team and the right analyst directly, and also on the consultants who work on their emerging manager portfolios, such as Xponance, Attucks, Leading Edge and Grosvenor.
- A plan may also use a larger global consultant (for example Mercer for full risk or Aon for alternatives) alongside a dedicated emerging manager consultant.

5. Start Early and Be Flexible

- Starting the process early means plans are familiar with you when you reach certain AUM thresholds or build a longer track record.
- Be ready to answer questions on vehicles (what do you offer, and can you launch one?) and on fees. For larger allocations, plans may ask for a rebate or creative fee terms.

Fundraising Best Ideas

The Dakota Way: Do More With Less

The Dakota Way's key principles include knowing who to call on, being a master messenger and running a killer follow-up system. For emerging managers, the key idea is doing more with less by leveraging technology and tools.

The Quarterly Webinar

Record a 15 to 20 minute quarterly webinar with the portfolio manager. Recap the firm (AUM, team and so on), remind viewers of the process, then cover performance for the quarter and expectations going forward.

- It saves the PM and the salesperson time. Package it as a replay with a transcript or notes and share it with clients and prospects.
- Between the save-the-date, the reminder and the replay, one webinar creates at least 10 to 12 touchpoints. That is free marketing at least 4 times a year.
- Analysts use webinars in due diligence. They often ask for the last 4 quarters of webinars or the last 8 quarters of letters or commentary to check for any discrepancy in what was said.

Next Show:

Join us for the next Emerging Manager Growth Show



Episode #50 airs Tuesday, December 8th, 2026 at 1 PM EST.

Thanks for joining us. See you next month!

– The Dakota Team

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