



**SEASON 5 EPISODE #10**

**JEFF COLLINS**

**CLOVERLAY**

**Narrator:** Welcome to the Rainmaker Podcast with your host, Gui Costin. The goal of this podcast is to give listeners a unique look into sales strategies from top industry executives. We introduce you to the heads of sales and heads of distribution who will help you understand the inner workings of the successful sales organizations from philosophy to execution, this podcast is essential for sales professionals seeking wisdom from the best in the field. If you're not familiar with Dakota and their Dakota Rainmaker content, please check out [dakota.com](https://dakota.com) to learn more about their services.

**Gui Costin:** This episode is brought to you by Dakota Marketplace. Are you tired of constantly jumping between multiple databases and channels to find the right investment opportunities? Introducing Dakota Marketplace, the comprehensive institutional and intermediary database built by fundraisers fundraisers. With Dakota Marketplace, you'll have access to all channels and asset classes in one place, saving you time and streamlining your fundraising process. So goodbye to the frustration of searching through multiple databases, websites, former ADVs, and say hello to a seamless and efficient fundraising experience. Sign up now and see the difference Dakota Marketplace can make for you. Visit [dakota.com/dakota-marketplace](https://dakota.com/dakota-marketplace) today. What is up, everybody? It's Gui Costin, founder and CEO of Dakota. Welcome to the latest episode of the Rainmaker Podcast. I'm so excited to be joined by a longtime friend, Jeff Collins of Cloverlay. Welcome.

**Jeff Collins:** Thank you very much for having me, Gui. It's great to see you in this setup. It's amazing.

**Gui Costin:** Jeff serves as managing partner of Cloverlay and is a member of the firm's investment committee and board of directors. Prior to founding Cloverlay, Jeff was managing director with Morgan Stanley Alternative Investment Partners, AIP, a division of Morgan Stanley's institutional asset management business. While at AIP, Jeff was a member of the executive and business committees and served on AIP's Private Markets Investment Committee as a portfolio manager responsible for leading primary fund co-investment and secondary transactions focused on special situations globally in North American buyouts. Prior to AIP, Jeff advised and traded equity options and futures for the US hedge funds in Morgan Stanley's equity derivatives group in New York. Prior to Morgan Stanley, Jeff was on the investment team at Petra Capital Partners, where he was responsible for screening, researching, structuring, and monitoring private equity investments in healthcare and information services companies. Prior to Petra Capital, Jeff was an investment banker at Robertson Stephens, where he executed a variety of public and private equity debt and convertible offerings, along with mergers and acquisitions in financial services, healthcare, and business services. Number one, congrats on what you've built. Now we're gonna get in the background and maybe just take us back to where you grew up. And then where it all evolved to today with Cloverly.

**Jeff Collins:** Sure, but first I have to say, walking in this building, this is incredible, and what you've built is amazing.

**Gui Costin:** Oh, thanks.

**Jeff Collins:** And we are using the— I get the newsletter every day. We're watching the podcast. And then the original database is arguably the core of our sales, and maybe it'll come out later when we talk about who we sell to and how we raise capital. But I mean, congratulations.

**Gui Costin:** Oh, thank you.

**Jeff Collins:** Awesome.

**Gui Costin:** That's your support.

**Jeff Collins:** Fantastic.

**Gui Costin:** You know, it wouldn't work.

**Jeff Collins:** So the origin story, the origin story of Jeff Collins may explain why Cloverleaf is so niche and weird. So my background growing up, it's the usual for private equity. Charlotte, Japan, and Columbus, Georgia.

**Gui Costin:** Right.

**Jeff Collins:** So moved around a lot and then went to Princeton close by in New Jersey. Then first job out of college, investment banking, wholly unqualified for. San Francisco, New York, San Francisco with Robertson Stevens Company. I always tell the timeline, the first stroke of luck. I joined Robertson Stevens Company in 1996 thinking I was going to underwrite IPOs for theglobe.com and netscape.com. Congress repealed the Glass-Steagall Act about 10 minutes before we showed up as analysts, which meant every commercial bank in the United States could buy every other commercial bank. They could cross state lines. They could buy risk businesses, and risk businesses are investment management and investment banking. The consolidation trend in the next 3 years meant I didn't do any IPOs. Bank of America bought Robertson Stephens. I was the bag carrier for my boss who negotiated that deal. Nations Bank bought Bank of America and took the name. I was the bag carrier for that. They owned our twin, sold us to Bank Boston, and then Bank Boston was acquired by Fleet. And all of that happened in 2 years, 2 and a half years.

**Gui Costin:** Oh my gosh.

**Jeff Collins:** And so I got a very unique investment banking experience and then also said, I've had enough investment banking, I'm moving on now. And then moved to Nashville and worked for It was my first experience with private equity, really, a firm called Petra Capital. And then from there was frankly looking for a private equity upgrade and realized lateral mobility is challenged when you have to explain the name on your business card. No one in New York knew what Petra— amazing firm, nobody knew what it was. So came back to Wharton for business school, and that sort of opened the doors to the current chapter still, where Finance major at Wharton and then joined Morgan Stanley Investment Management. And it happened to be out here in Conshohocken, right outside of Philadelphia where we're sitting. And full exposure to all strategies, all geographies within private markets. Everything was eligible. And we had a relatively small team and a top-heavy team. And so the fire hose was coming at high pressure. Travel globally, did deals in every strategy, every geography. And part of what we did there is unique in the private equity world. So we did buyouts and we did venture and we did growth equity and we did infrastructure and we did real estate-like things. But in the middle, there was a section called special situations, which is a term that I encourage all young people that I talk to never use that term because it doesn't mean anything anymore. It's been hijacked to mean whatever you want. But for us, it was very, very clear. Special situations, which is what Clover Lake does now, although we don't use that term, is the assets that are absent from institutional portfolios. Those are really difficult to find. Cambridge Associates doesn't cover them. They don't have a data set. It's the nichy and the weird, esoteric, uncorrelated assets, not operating businesses. That's what we were doing with a third of our program at Morgan Stanley. That's why I started Cloverleaf, and that's the only thing we do. So our role is really a completion portfolio for institutional investors where you've got amazing buyout relationships and all of the other strategies. You can probably even co-invest. You don't own any wireless spectrum. You don't own firefighting helicopters. And you don't own intellectual property on the content side or the mechanical side. Those are the things that we do among many things. It's always fun. You show up at the office and there's something new sitting on your desk that you may or may not have seen before, but that no one else knows how to take apart.

**Gui Costin:** You have this deep expertise in investing in these non-correlated, non-operating company assets. Can you just give a few examples of that? What you're basically making the case for is that all these public pension funds have exposure to a certain level of operating companies' assets, and then you complete those portfolios with these unique off-the-run differentiated assets.

**Jeff Collins:** Right. It's also a different return stream as well, where because of the uncorrelated nature, outliers to the right and the left end of the bell curve are not expected, because it should be a slow, boring march to your

underwritten return no matter what the S&P is doing. That's our commercial license and what we feel like we've delivered to date. And so some examples, maybe there are two different categories and ways to think about them. So the first is the assets upon which very large companies and industries are built, but they don't necessarily own them day one. So intellectual property is part of that. Data infrastructure 10 years ago was that, and we were investors in data infrastructure 10 years ago. We have since moved on. We haven't done anything in 7 years in data infrastructure. So sometimes it's getting ahead of a trend and saying, these are critical core assets. No one is paying attention. If you are a nationwide cell phone carrier, you have to either rent or buy my wireless spectrum at some point. It's the base upon which your very large business is built. But you're not allowed to own all of it day one. So we try to get into a strategic position with assets that people aren't really focused on. They're non-core for everyone in the world. And that's a strategic statement as well as a private capital statement. So data infrastructure is one. Intellectual property on the content side, you're seeing increasing consolidation and acquisition, not just Paramount buying Warner Brothers, but distributors becoming content owners because the endless leasing process was proving to be very, very expensive and not sustainable. So if you're a studio and you're making movies, you increasingly want to own the intellectual property of the movie that you're making so you can control it instead of someone showing up in your studio and saying, here are your marching orders, we hope it goes well, and by the way, we get an endless royalty forever. So there, there are lots of examples. Litigation finance is slightly different. And then there are some sort of uncorrelated trades where you have the US government as your counterparty, which is always a facet that we enjoy. It's not usually an efficient process. And if you know the rules, you can actually make a really interesting uncorrelated return from some of those.

**Gui Costin:** Gotcha. Fascinating. So I've known you for a long time, since the beginning of Clover Valley. Congrats on what you've built.

**Jeff Collins:** Thank you.

**Gui Costin:** But it's very clear that your fundraising and distribution strategy is really part and parcel to your investment approach. Like, it really does mimic it. Very focused, differentiated. Could you just give us the broad strokes? You're on fund 4, right? It's really exciting, right? How have you gone about thinking about raising capital for your funds?

**Jeff Collins:** So the approach is very much informed by the decade-plus at Morgan Stanley Investment Management where we sold to everyone everywhere, right? But we saw different parts of the program resound inside certain channels or certain investor profiles, specifically the Cloverley style investing. And what we found was that it resounded most with the institutional investor, like the truly institutional. So one of the things that I got wrong, and

there are many, when I was writing the manifesto business plan to set up Cloverley One of the things I got wrong is that I thought this would be an iterative family office and multifamily office strategy, and we would follow the typical \$200 million fund one, and if you're doing well, \$450, and then it goes from there. We're 85% institutional capital.

**Gui Costin:** Wow.

**Jeff Collins:** Which is fantastic, but also much harder, frankly, because the quality of diligence performed by everyone on the institutional side just raises the bar. And it also raises the bar from a sales perspective to even get in the door and have a qualified conversation with some of the most sophisticated investors in the world. And so our sales approach, our sales CRM, our pitch, everything about it is geared towards that most logical buyer, which is public pension plans, corporate pension plans in the US. Right.

**Gui Costin:** And how have you set up your team to go execute on that?

**Jeff Collins:** Smaller than most people would imagine. And that's because of the qualifications and the experience needed to tell an already complicated story to a very sophisticated counterparty.

**Gui Costin:** Right.

**Jeff Collins:** And so you can't have territory managers running around just trying to get meetings. You have to have people that can sit in a room for an hour and truly tell the story and answer questions off the cuff, because what we do is so different than what our targets and our current investors see on a daily basis. So there's a lot of education and a lot of explaining to do, and you have to have the right profile to be able to do that effectively.

**Gui Costin:** I think when you think— because storytelling is a big deal to me telling a complex story and simplifying it, right? So they can retell it. Can you walk me through how you and your team think about that in terms of when you— so we know a lot of people listening to this work for one firm that they have no support. They're kind of that single fundraiser. They're trying to figure it out. They need guys like you to, you know, give them some guidance of how do you take this complex story and really try to simplify it down so people can truly get it?

**Jeff Collins:** Yeah, it's a tough job and we have tried situationally and, you know, specific to where we are as a firm and what we do as a firm relative to the rest of private equity, we try to lead with a couple of things. And this is different if you're competing to be the best CLO equity fund because there's a large pile of those. We don't have a big pile, so we have a slightly different challenge. Yeah, but we lead with what you would write down and feel very

comfortable about the description of the firm and our strategy and our mandate, and it's 4 sentences long. That's too much. What's most important? Uncorrelated assets and you don't own them for us. The third most important thing is to highlight very specific examples, because we try to move away from industry jargon as quickly as we can. Uncorrelated assets, there's no definition for that. People don't really know what you mean until you start listing examples of things that we've done recently. Broadway theatrical rights. Do you own any Broadway theatrical rights?

**Gui Costin:** Right.

**Jeff Collins:** Let me explain to you how it performs over time. It's actuarial in nature. How frequently do you go back? And you're trying to remind them of their goal is understanding a return profile. Our goal is to explain the return profile and how it's generated. And given the complicating nature of the things we invest in that can That can take a while. It's difficult.

**Gui Costin:** Yeah. You're doing— I would say this is the 101 of positioning. You're explaining exactly where you fit in a portfolio, the role that you play in a public pension fund's portfolio. Exactly. Using completion. Exactly.

**Jeff Collins:** One of the things we say, we try to have it be one of the first few things out of our mouths is our particular return profile. We expect to outperform your strongest private credit strategies. Your best buyout funds will most likely outperform us in most vintages, but not all. In the meantime, we sit between those two in a completely uncorrelated way. Is that interesting to you and how you construct portfolios? Sometimes the answer is yes. Sometimes the answer is what bucket do you fit in? And we don't fit in a bucket. So we can qualify those conversations and kind of move on. And sometimes it's, let me learn more about this and see if I can have a conversation internally because we don't have anything that performs like this. We thought music royalties was the answer and it's definitely not.

**Gui Costin:** So, so you're probably not breaking this down, you know, looking at your own navel every single day. But if you think about what you just went through, talk to me about how quickly can you get into that position in conversation? So if you have an hour, which is typically what we all have, the first 5 to 10 minutes, if you can get it where they're— that now they know— I call punching them in the nose. Like, if they can get centered on what they should be listening for, which it sounds exactly what you do in the opening, is just to try to get them to like frame it up and they're like, okay, now I know what I should be listening for. So you can spend the next 50 minutes, right, with engaging conversations about your positioning.

**Jeff Collins:** Precisely. And important for us also in that first 5, 10 minutes In addition to getting the Cloverley mandate expressed in a concise way with

examples that they go, hmm, and they actually start thinking instead of flipping pages and going to the appendix and looking at your track record. One of the things that's critical, and it's particularly critical for us because of how we invest and what we do, but I think it's important for everyone that's having meetings like this, is we ask questions that they probably haven't they've fielded before about their own organization, about decision-making, being very, very specific. And we also ask questions about the things they've invested in previously that might sort of rhyme with us. And we do that in an effort to, first of all, guide the conversation in that direction. Oh, you've invested in a \$4 billion pharmaceutical royalty fund. I know why you did that. The return profile is what you were seeking for. Here are all the things that we've seen in pharmaceutical royalties that never came to you, and they're much more advantaged than a multi-billion-dollar fund. This is what we do—construct portfolios of things that you've never seen. And so we try to qualify the conversation and get them thinking in our direction, which again is maybe easier because of our strategy, but it's important to take them out of their muscle memory of, this is how I conduct a 60-minute meeting. I give the background on my firm, I ask 2 questions, and I listen to you talk for 40 minutes. That's not a meeting. Yeah, we want to understand who's the decision maker, how quickly— what's the fastest you've ever moved on a private equity group that you weren't already invested in? Sometimes the answer is 2 years. Sometimes the answer is, if I think it's interesting, 3 months. That's really important to know for us. And we can prioritize the target accordingly. Like, this is a slow burn. This is someone to pay attention to.

**Gui Costin:** Right. But if they've never met you before, right, you have to—the goal, and this is what everyone's listening for, and this is the art of doing a meeting. I mean, it truly is the art form. Can you enroll them? Right. Hey, we've done this a little before. It's, as you said, rhyme. But really, we haven't done—you're going to show them everything they haven't done. And now they're starting to— now you're forcing them to position your strategy in their own portfolio, in their own head during the meeting, which again, makes— now they're enrolled in like, where would this fit? Right now, they're convincing themselves in front of you of trying to say, OK, where is this going to fit? And help me understand. And that's called differentiation.

**Jeff Collins:** That's right. That's right. And it's also a difficult line to walk where you will hear some answers from certain investors like, well, I have this covered. I do it myself. Is that right? How do you do that? And then you hear an answer that is not the right answer. The line is, how aggressive am I in telling them everything they never saw? That's a better answer than what they just said because they might be stuck in their ways and this is what I do, or they might be open to a broader conversation. So we try to probe like any good salesperson would do, try to probe and have them talking about the things that they find interesting. Have them talking about their frustrations internally. I wanted to do this thing, but we report to a board and they move,

you know, like a glacier. You hear all different kinds of answers, and that should adjust your approach to that particular LP because you have to interact with them the right way. There are no magic tricks. You can't fool anybody. You have to play by their rules. You can't just jump to the front of the line because you said something really cool. Yeah, unless the cool thing is I want what you do and I didn't know it existed. So it's on us to go find those people. We have to screen the others and frankly not spend a lot of time on them.

**Gui Costin:** Yeah, because to not be in the convincing business—.

**Jeff Collins:** Well, you can't be in the convincing business. I need to find someone that already has a category. And we— some of our LPs have us in private equity, which I think is where we deserve to live. Some have us in private credit. We are definitely not private credit. Some have us in real assets. We have some real assets, but not all real assets. It's wherever their most flexible budget is, that's where they put us. And so we are on the eternal search for institutional investors who have that diversifying private asset bucket. And it does exist, but it doesn't exist everywhere. Dakota Recommends is your source for the highest quality coffee shops, restaurants, hotels, and event spaces in every major city where business happens. Dakota Recommends is thoughtfully curated by our team who has been traveling and hosting events in the investment industry for over 25 years. Log in to Dakota Marketplace today to see how Dakota Recommends can help you make your next trip better.

**Gui Costin:** And so what you're really telling us is you're just so with the scalpel of trying to find your best fit investor, right? And really understanding and then moving away from the ones that you're going to have to be in the convincing business and focusing completely through a qualification, just set of questions to find your, your, your best fit buyer.

**Jeff Collins:** I think that's right. And we've had advocates inside some very established, very large institutions who we established the relationship with them strong enough that they came to us and said, we are never going to be able to do this, but I'd like to make two introductions for you.

**Gui Costin:** Right.

**Jeff Collins:** LP introductions is a very unusual thing, maybe in the family office world where they can sometimes travel as a pack. But to have an estate plan say, I'm going to call two friends because I think this is interesting, but we are clearly never going to do it. I appreciate the no.

**Gui Costin:** Yeah, but that's also a testament to how well you've positioned your— the story in their eyes, because now they're saying, okay, you know

what, this is not— I love it, but it's not for me. But I know, I know two people that could be a real good fit for it, right?

**Jeff Collins:** Whatever, whatever constraints I have are my problem, but I understand what you do, and I also know exactly, as you said, I know someone that might care. Yeah, that's invaluable. Invaluable.

**Gui Costin:** All right, so the— there's so many takeaways here from a positioning standpoint. I love it, but I want to move on to One big chunky question. So sort of 3 more big questions. And I always like to talk about the CRM and the power of data now as we're seeing how important AI and LLMs are now on data. Sure. Give me your viewpoint on investor data, if you will. So all that, but just your whole viewpoint on the use of a CRM, how important it is to your organization, and now, of course, what's going on in the world with all the LLMs.

**Jeff Collins:** Right. We may be old school in the asset management and private equity business, and that we have a 9 AM Monday sales meeting every Monday. And the reason we have it on Monday is not just because it's the beginning of the week, it's because it gives the team a chance to organize all of the information they've collected from the prior week over the course of the weekend. And then we have a discussion, and the CRM is the basis of that discussion. Because of the way we've designed it. And leaning not lightly on what Dakota does, but it's organized— so the attendees are our dedicated salespeople, myself, the other investment partner, and the 3 investment principals. So it's the senior leadership of the firm who have lots of different kinds of relationships, and very explicitly by design, The Monday morning sales meeting is not a report out. It's not the salespeople talking to us. It's organized by individual and who's responsible for that relationship. And sometimes it's a salesperson and sometimes it's an investment person. And so the purpose of the, of the call is to triangulate around any new or existing target. I met this group. You know, an endowment in the Midwest. Does anyone know them? And when you have the experience base that we have around the team from people that have come from all over the place— oh, I used to sit on an advisory committee with that person or with someone there— now you have two points of entry instead of just however you came in the front door. So the CRM design is critical to enable that conversation goal. And so the information we capture is around obviously name of the institution, the name of the primary touchpoint, all of the other touchpoints that we actually know. So we don't populate with people that we just found their names. If we got to them or we know someone who knows them, they end up on the sheet. And then we track activity in terms of there's a summary of sort of this is what they said they do and all of that. But also, when was the last conversation? What is the next follow-up? What is the due date of that follow-up and who's responsible for it? And then also projection of how quickly we think this target could actually move. And so that enables you to move away

from a week by week by week conversation. You've had the same conversation about that one prospect.

**Gui Costin:** Yep.

**Jeff Collins:** For 4 months. The conversation has to change. And so you have your CRM designed to Force the conversation to change. This looks like it's going nowhere, and sending an email every 3 weeks is clearly not doing the job. So do we do something different, or does this come off the list? Forcing conversations like that is— and you have to have a functional CRM to be able to do that.

**Gui Costin:** This is the scary thing. So think about all the years we've been in the business. You think about the CRM, you think about certain salespeople's mentality. No, no, it's, it's in my Outlook. It's not in the CRM. Well, you know, did you hire me to do meetings or did you hire me to do data entry, right?

Speaker 3: Oh, our CRM also captures every message sent or received.

**Gui Costin:** Okay.

**Jeff Collins:** Text. So it's all there. If you wanna see every interaction, it's right there. So that avoids the inbox problem.

**Gui Costin:** So you have all this like static. So in our software business, and the same in our investment business, we've entered every single customer interaction with our CSM. So you become a customer, there's interaction, whatever it might be, status, that all goes into Slack, which then just feeds directly into Salesforce. So we just built Claude for Slack, right? All right, so now you have Claude for Slack, and so you can just type in the name of a company and it literally gives you, you know, we have 1,500 to 1,800 interactions a month, right? So if you do your job and just put the information in, the conversations that you had and the takeaways and what their concerns they had or whatever it is, and then the people, it'll literally give an entire 4-year breakdown of the entire relationship, where it started, where to go. I mean, so now if you do the data thing right and if you simply just get what's going on into the system, the work that the cloud can do for you is tremendous, right? Or can call out like you were just saying, it's like, hey, how can— this has been 3 weeks, you send the same email, this doesn't make any sense. So I know we could turn this into a whole AI cloud thing, but it really I'm really focusing on the attitude of salespeople. Remember, if we're talking to one person who works at one firm, do I really have to enter those notes? Is it, gosh, do I really have to do that or dictate or whatever it might be? As I've been saying to people, you know, at your own peril, because if you did for the past 8, 10, 15 years and all these relationships, it's literally a goldmine of

information because now you have these tools that can interact with the data that we've never had before.

**Jeff Collins:** The trick in the dark ages that made certain salespeople, but also in other, in other parts of private equity, really, really stand out. And one of my mentors said this to me, is the aggregation of disparate data points. So you hear a million things and you were able to pull the 20 relevant things related to this topic. Now you have a tool that can help you do that, which is really powerful. And people should focus on harnessing that power to be organized, to have a path, and also not just a path but a path with milestones so you can always check yourself and check your agent and say, is this actually working the way I wanted it to work? Critically important because the aggregation of data points is critical to our business. And like what you guys do in terms of Tracking people who move from institution to institution, it's unbelievably valuable for us. And we've had it happen a lot. We're like, oop, okay, no longer at Chicago Fire and Police. We have to go over here. It's hugely helpful, but that's just one of many, many examples where that kind of software and AI-enabled capability is just huge. It's a difference.

**Gui Costin:** Now you're going to have Claude for Dakota Marketplace as part of the subscription. So coming out. Oh, great. Yeah, so you'll be able to use Claude. Ask you questions in every variation. I'm sure we will. No, it's fun. And it's just the possibilities are so limitless just in terms of if you have the data, what you can ask of it to give you better direction, better reasoning, et cetera. And like I said, I could go down many, many paths here, but I do want to get to, because you have such a thoughtful way that you think about the business, you have a thoughtful way of leadership. Could you just describe your leadership style? Because running a firm now, how many years? 15?

**Jeff Collins:** Oh, no, we're 11.

**Gui Costin:** 11. Yeah.

**Jeff Collins:** Yeah.

**Gui Costin:** So still 11 years, but feels like— just— I know, but keeping it together. Can you just, like, talk to us about your leadership style? How— like, and I mean this, like, with what intent? Because clearly there's a lot of intent on how you lead and how you do things.

**Jeff Collins:** Sure. I like to think that I lead by example. I am probably the most experienced person because I'm the oldest person. And the seat that I was sitting in at Morgan Stanley, the breadth of things I've seen. But resisting the urge to sit on high and lecture people from day one was important. I'm down with them. I'm working. Everyone says this, but I'm working as hard or harder than all of them.

**Gui Costin:** Yeah.

**Jeff Collins:** And they see it. And the analysts close up and I'm still there. That's not FaceTime comment. It's Jeff cares. He's not on the golf course. Jeff is doing something right now, to my wife's chagrin. But leading by example is really important. I think running unscheduled mentorship is also important because every employee has different goals, different capabilities, and different things that they need to work on. And so not the quarterly check-ins, but coming by after they presented at investment committee. And saying, let's go, let's go in there for a minute. I asked some questions in the room, but let me ask you some other questions. How'd you do this? How'd you do this? Oh, one time I saw it done a slightly different way. Did you think about that? And sort of, I do that, my partner Kendra does that with the entire investment team, just trying to get everyone moving in the same direction and everyone realizing that you are never a fully formed investment or sales professional. You need to constantly be looking around saying, Who is doing something different and maybe better than the way that I do it? And constantly lean and look around for other role models. And I always tell people also in terms of mentors and role models, you will never find one person. That's who I want to be when I grow up. You should have 18 mentors, right? And take the best thing from each of them, whether that's a sales role or an investment role. And this is the best relationship person I've ever seen. Don't ever give him an Excel spreadsheet. This is the most quantitatively, you know, ninja-like salesperson I've ever seen. And that has a place in certain rooms. And so pulling the best from everybody is what I encourage the team to do because I'm not there. I mean, hopefully I'm a mentor, but I'm not the mentor. They should be looking all over the place outside the firm, inside the firm.

**Gui Costin:** I love what you said about the unstructured nature because people come in, hey, mentor, it's like, no, no, we're not going to schedule.

**Jeff Collins:** Here's our meeting.

**Gui Costin:** Yeah, right. It doesn't work that way. Right, right. And yeah, and I agree. Like, some of my best mentors, I've never had a mentor conversation. They've been a mentor for 20+ years.

**Jeff Collins:** Right.

**Gui Costin:** And I tell them that every time I see them. Yeah. You know, I've learned, I've observed. They can't believe I can recite, you know, one-liners that they've said over and over.

**Jeff Collins:** I said that?

**Gui Costin:** Exactly. It happens so many times. I'm like, yes, you did. And I've repeated it at least 500 times.

**Jeff Collins:** Yes.

**Gui Costin:** So, all right, last question. So there's a lot going on. In the world today, your biggest challenge that you're facing today and how you're overcoming it.

**Jeff Collins:** Our biggest challenge as a firm today is fundraising. I mean, fundraising is the lifeblood of this business. And we are just short of the nuclear winter that, you know, it felt like at the beginning of COVID. Certainly felt like immediately after the global financial crisis where new relationships are more difficult to secure than in the 30 years I've been doing this.

**Gui Costin:** Wow. That's a big statement.

**Jeff Collins:** Truly. Because in uncertain— and this is, this is a difference. And we might be— I might be going over time, but not at all. It's one of the differences that I was talking to a mentor actually about, because he's no longer fully engaged, but he's engaged. And one of the things I pointed out starting during COVID continuing during the rising interest rate environment, and then now we're into, you know, a new chapter. And one of the things I said to him— and I worked with him, for him, post-GFC— I said, post-GFC, people were on their front foot. People were looking for really interesting, opportunistic things to do when the world was uncertain and there were some people sitting on their hands. I'm going to go in this direction. I'm going to do something truly interesting. COVID, interest rate environment currently, I don't have to do anything. I'll just wait. We see so few opportunistic, forward-thinking investors out there because they probably didn't live through the global financial crisis. I can just not commit to anything for 12 months and you'll still be here. We won't because we only raise capital for 12 months, first close to final close. But most funds will be open for 24 months. So they say, ah, not now, I'll just wait. So it's created a really weird environment where, at least in private equity, it's a re-up business with their core relationships. The question is, what does the world look like and how does that map with new relationships because they're not dying for new relationships. That is our biggest challenge, is to find the people that want new relationships and view the world and our strategy as sort of a solution for part of the uncertainty that's out there.

**Gui Costin:** Well, conversely, how about you? So you have this emphasis at the company then that you're all about the new. Obviously you're going to do the re-ups. We're not dummies, right?

**Jeff Collins:** Yeah.

**Gui Costin:** But your team has to always be out there searching for the next new investor.

**Jeff Collins:** Oh, absolutely.

**Gui Costin:** Yeah, absolutely. By the way, not everyone believes in that. We're big into cold outreach. We're big. Like, because, because a lot of times you can't find that connection. Sometimes you have to say, I'm going to be in town, right? I'd love to introduce myself. This is what we do.

**Jeff Collins:** Well, we've— you have to do that. You have to be out there. You have to have the 4 consecutive coffee meetings in 4 different coffee shops because Boston is a place with a lot of people that you should know, and you should create days to just be there. And I think everyone knows this, but not everyone does it on a regular basis. Yeah.

**Gui Costin:** And it's a lot. It's our lifeblood. City scheduling. Yeah. Cities. And then the thing that I love, I got this really nice note from this woman in Singapore this morning and she was asking for exactly that. And I said to her and she goes, well, can you give me a little more specifics in the second email? And she's surprised that I was responding right as quickly. But I said, this is what I love to talk about. And I said, look, the cadence should be 3 weeks out, so give enough time. So then for the people that haven't got back to that, you're just, just for them, you're going to say, hey, by the way, did you see, can you meet at 3 on May 4th? And I said, then the most infamous way to do it is the day of, right? Or the day before. And you're like, hey, you know what? You know, I'm going to be in your building. I'm literally going to be on the third floor. And I kind of come up to six and just say hello.

**Jeff Collins:** So here's a functionality idea for you, ex-US. So we've only raised capital in the United States to date. I have been spending a lot of time in the Middle East in the last two years. The Middle East. Operates exclusively on WhatsApp. No assistants. Emails will not be read. 100% WhatsApp. And so there's no such thing as I'll see you Thursday at 4. It's WhatsApp me when you're here and then we'll figure out our days. It's incredibly inefficient unless you can crack it, figure out the right way to interact with them. But I'm like the novice user of WhatsApp.

**Gui Costin:** Furiating.

**Jeff Collins:** So you got to fold that into the system.

**Gui Costin:** That's a huge nugget for the little mic drop there.

**Jeff Collins:** Exactly.

**Gui Costin:** All right, Jeff, this has been amazing.

**Jeff Collins:** Thank you, Gui.

**Gui Costin:** Thank you. Thanks for having me. No, I love having you. But the thoughtfulness of the positioning and how important that is to like— I really— that really resonates so deeply with me. And it's just so fun to listen to someone who's like a practitioner of positioning.

**Jeff Collins:** Well, I sincerely appreciate you saying that. And thank you again for having me. Awesome.

**Gui Costin:** All right. All right, everyone, that is a wrap. The latest episode of the Rainmaker Podcast. Thanks so much for joining, and we'll see you in the next episode of the Rainmaker Podcast.

**Narrator:** You can find this episode and others on [Spotify](#), [Apple](#), or your favorite podcast platform. We are also available on [YouTube](#) if you prefer to watch while you listen. If you would like to check up on past episodes, check out our website [dakota.com](#). Finally, if you like what you're hearing and seeing, please be sure to like, follow, and share these episodes. We welcome all your feedback as well. Thank you for investing your time with Dakota.