

# There's a World of Private Investing Available for Institutional Investors. Here's How Your Clients Can Access It.

There are far more privately-held companies of size in North America (meaning greater than \$100 million in annual revenue) than there are publicly-traded companies<sup>1</sup>. If you're a regular investor, high minimum investment amounts and complex buying processes typically restrict investing in this exclusive world of private markets to large institutions and ultra-wealthy individuals.

But not anymore.



Jeffrey Shell, Head of Alternatives, Commercial ESG and Innovation, BMO Global Asset Management

## What Are Alternative Investments?

Alternatives include virtually everything that isn't publicly traded stocks and bonds—ownership in private companies, infrastructure, and so on. Compared to portfolios with only public market holdings, a portfolio with alternatives may give investors a better chance to both grow their wealth and reduce risk<sup>2</sup>.

BMO GAM's alternative investment solutions feature products of a quality typically reserved for institutional investors, but with lower minimum investment amounts and less complexity. Bottom line: we've cut the red tape and lowered the velvet rope, giving access to this exclusive world to a much wider array of investors.

Our goal is to give investors tools they can use in a well-constructed portfolio to increase income, increase performance consistency, and grow wealth. It's just that simple.

## Technology: The Backbone of Tomorrow's Digital Economy

Within the exclusive world of private market investing, technology investing has been—and, many expect, will continue to be—the most successful strategy for growing wealth<sup>3</sup>. It's a sector where multi-billion-dollar firms stay private longer, and sometimes indefinitely. (You ever heard of unicorns?)

But there are also a lot of misconceptions about tech investing. For instance: that it's all about putting "chips" down on early-stage, high-risk "bets"—companies that are trying to create the markets they serve or stretch to grow at all costs.

Where we see opportunity is in companies that provide solutions that are woven into the fabric of the digital economy, in spaces that are growing. Companies with business models that don't require faith to understand.

These aren't just lottery tickets. We're talking about firms in areas such as cybersecurity and industrial automation—essential to our economy today and forming the backbone of where we're headed.

## Who You Invest with Matters

The opportunity in technology is there. But how to best get at it?

If you just look at the averages, private market tech investing performance has stood out. But digging deeper reveals that there can be a striking gap in performance between managers who achieve the most success and the least. This gap is wider in technology than in any other alternative strategy<sup>2</sup>.

Sustained success is driven by a repeatable process—a secret sauce, if you will. That's why manager selection is so important.

Enter Georgian.

There are countless reasons why BMO selected Georgian, but here are a few:

- They're a Canadian success story, with an established track record that includes a number of marquis exits.
- They have repeatable processes, including an innovative, technology-driven approach that enables them to identify promising companies to invest in.
- They have robust research & development and customer success teams to help companies unlock their true potential—in fact, more than 50% of Georgian's team's primary role is to make the firms they invest in better.
- Their team is diverse, dedicated, and engaged, and they've been rated as #2 in the Great Places to Work in Canada survey among companies with under 100 employees.

## The BMO Georgian Alignment II Access Fund LP

Through the access vehicle, the Fund provides exposure to North American software companies—firms with established market demand, significant growth prospects, and that are on track to profitability. These companies have established relationships with Georgian built over years of prior investment.

These companies **cannot** be accessed via public stock or bond markets.

For more information, visit [www.bmo.com/georgian](http://www.bmo.com/georgian).

BMO  Global Asset Management

<sup>1</sup>Capital IQ. Last fiscal year revenue as at January 19, 2022.

<sup>2</sup>Principles of Alternatives Investing. JPMorgan. 2Q 2022.

<sup>3</sup>Special Report: The Future of Alternatives in 2027. Prequin.

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