

A Match Made In Cyber-Heaven: Online Firm Provides Cap-Intro.

The online marketplace hasn't been a big player in the hedge fund space, but one new firm is aiming to change all that. **Hedge Connection** (www.hedgeconnection.com), an online capital introduction service for hedge funds and investors, has a repository containing the details of 525 qualified investors, and that list is likely to grow by 200-400 names in the coming months.

Andrew Saunders, vice-president of the firm, which officially launched in October, said that Hedge Connection differs from other capital introduction services in both the way it operates and its pricing structure.

Here's how it works. Qualified investors complete a detailed questionnaire on their investment strategy and agree to be contacted by hedge fund managers. This information is then verified by phone. Meanwhile, hedge funds list their information on the site, and, for a fee, they can search the membership of qualified investors and access the investors' contact information including phone numbers and email addresses. There are no back-end fees on any money raised on Hedge Connection.

A junior membership costs \$2,400 and provides a hedge fund manager with 36 "trade tickets," each of which can be used to access information about an investor. In order to keep hedge funds from indiscriminately contacting dozens of investors at one time, a manager may only use 10 trade tickets each month. "This encourages the managers to approach and follow-up with their inquiries methodically as part of a coordinated marketing program," Saunders said. The next levels of membership are \$5,500 for 96 tickets (limit 15 per month), and \$9,000 for 180 (limit 20 per month).

Although there are other online services out there that allow hedge funds to post their information with the hopes of meeting investors, Saunders said Hedge Connection is different in that it is the only one that actually does provide detailed information about serious, qualified investors that

have been thoroughly vetted by his firm and have agreed to be contacted by managers.

"With the other ones, it's like hanging up your shingle and waiting for people to come to you," he said.

Geoffrey Tudisco, founder and ceo of **VanhedgePoint Group**, a financial services firm and registered broker/dealer that caters to emerging hedge fund managers, said that what makes Hedge Connection stand out is the quality of its investor list. In fact, Tudisco was so impressed with the list and thought that it would be valuable to his clients, so he arranged a strategic partnership with the firm that allows his clients to access Hedge Connection information through VanhedgePoint's system.

"We believe that the leads in the database are high quality. It's all based on Lisa's pre-existing relationships with hedge fund investors," Tudisco said, referring to **Lisa Vioni**, founder and president of Hedge Connection.

Vioni began her finance career in 1990 selling mortgage backed securities first for **Prudential Securities** and then for **Lehman Brothers**. In 1998, she switched over to marketing hedge funds. She worked for two different firms before setting up a boutique hedge fund conference firm three years ago. However, after years of compiling a contact list of over 5,000 qualified investors, she felt it would be a shame to let valuable information lay dormant and grow cold, thus, the idea for an online cap-intro service was born.

While Hedge Connection currently has less than 200 hedge funds signed up for its services, Saunders said that each day managers are finding the site and registering for a free trial, which consists of three complimentary trade tickets. He is also working on creating more alliances with mini-prime brokers like VanhedgePoint—i.e. those that cater to hedge funds—in order to get the word out.