



What's Your Edge?

By Alan Snyder

"What's your edge" is the question du jour leveled at every entrepreneur and investment manager. Of course, how on God's green earth can it be answered honestly, compellingly and realistically without torturing the brain of every respondent? Adding insult to injury, the "edge" must be differentiated, sustainable and replicable through time.

Having grappled with this one and seeking an answer that rose beyond the miasma of lukewarm oatmeal, I sought inspiration. A famous TED talk by Simon Sinek galvanized action (take a squint on YouTube; it is worth it). Briefly, he posits that all of us start with the "what" and "how" rather than the "why." Piggybacking on his chat was prior research I had the fun of undertaking at Dean Witter Reynolds (now Morgan Stanley) with the ample piggybank of Sears, who owned the firm. Moreover, the good Sears executives insisted that we spend their dollars to get smarter about investment solution marketing. Being totally malleable, we hit the bid. The insights were useful. Most financial solutions are marketed around the "features" and how they "function" rather than describing the more relevant client "benefits" of the features and functions. Mr. Sinek, with his focus on why, really was another manifestation of a "benefit focus," not totally analogous yet an overlapping concept.

Tortured into action, we reviewed Shinnecock's definition of "edge" and since we are generally deluged with pitch books, many others, as well. The challenge was clear. Try it yourself for a humbling experience.

We assembled our hardy team and went at it. Below is the output. Is it revolutionary? Probably not, but it is honest, accurate, realistic, repeatable and sustainable. Is it compelling and differentiated? You be the judge, but at least, it is a down payment for the future.

The Shinnecock Edge (Why and How We Do What We Do)

1. Keep an open kimono – total investor transparency in why and how we do what we do.
2. Be passionate about our work.
3. Always deliver a deep duty of care for our investors since their investment is a privilege conferred on us.
4. Develop a culture of excellence in all we do - be the best we can be and make a difference – add value. Thoughtfully leverage our experience.
5. Be a student of the business – never stop learning.

6. Second guess ourselves – admit mistakes.
7. Search wide and far – for niche investments that can deliver superior returns with lower risk.
8. Sweat the details – in investing, a small error can be fatal.
9. Safeguard capital at all times.
10. Avoid “bright, shiny objects” no matter how popular or trendy.
11. Execute explicit and written due diligence process pre- and post-investment.

All comments and suggestions are most welcome, too!