

A blue microphone on a stand is centered in the background, partially obscured by the text.

Rainmaker
PODCAST

EPISODE #25

DAMION HENDRICKSON
AGF

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 to learn more about their services. 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 interweaved database built by fundraisers for 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. Say goodbye to the frustration of searching through multiple databases, websites, form 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 today.

Dan DiDomenico: Hello, and welcome to another edition of Rainmaker Podcast. My name is Dan DiDomenico, the president of Dakota. And I am thrilled to have here in studio with us, from Boston, Damion Hendrickson, who is the managing director for the US business at AGF Investments. Damion, welcome.

Damion Hendrickson: Thanks for having me. I'm excited to be here.

Dan DiDomenico: Damion Hendrickson is managing director of the US business at AGF Investments LLC and is responsible for accelerating the strategic growth of the firm's US operations. Damion is also accountable for managing AGF Investments' institutional and strategic partnerships, as well as enhancing distribution across key intermediary channels. Damion is a seasoned business leader with diverse experience in global sales and a track record of achieving results. He brings more than 30 years of investment distribution and financial services experience across roles with Fidelity Investments, BNY Mellon Asset Management, and most recently, HSBC Global Asset Management, where he led North American sales. I am really excited for this conversation. As we were talking before... we are recording here... the entrepreneurial spirit of what it sounds like and what you're bringing with a very established brand, very successful, long-history brand at AGF, and now bringing it here to the US. It

sounds like that's a major focus. We're going to get into that. The nature of these conversations we always find to be so profound and carry such impact for people to hear from people like yourself who are building sales distribution, that have a very clear understanding of what they're trying to accomplish, and while doing that, bringing together and building this great brand and culture to a whole new audience here in the US. So, I really want to unpack that, really want to dig into that with you, Damion. Before we get started, though, before we get too deep into that, we'd love if you could give a little background on yourself and that of your firm.

Damion Hendrickson: Yes. Thanks for having me. So, Damion Hendrickson, I joined AGF roughly four years ago. Like you said, charged with setting the strategic direction for the US business for AGF. So, I spent the previous seven-plus years at HSBC running sales for the US and Latin America in all channels. And then before that, I spent some time at BNY, and started my career at Fidelity, really in the REA space. So, I've been part of... I've been lucky enough to be part of a smaller team and a smaller business unit inside of generally established larger organizations. So, I feel lucky to be here at AGF to be charged with growing the business. Like you said, we are a 67-year-old, family-founded, Toronto-based investment firm that is really focused on trying to figure out how we can adapt and how we can grow our business in the US, and really, more globally. The core of our business is our investment business, and we are trying to grow that organically and inorganically and trying to build out our alternatives offering as well.

Dan DiDomenico: Fantastic. So maybe talk to us a little bit about that, that platform of investment strategies, and maybe what is connecting most here in the US.

Damion Hendrickson: Yeah, so when I first joined, I joined right before COVID, so I had thought I was going to go in a bit of a different direction. So more of a traditional institutional business. We had some institutional customers, your traditional pension and consultant business, and calling on large plans and trying to grow that side of the business while, at the same time, trying to focus on trying to figure out how to grow the private bank business. When I joined, we had five different mutual funds and ETFs. We've since closed some of those. We've realized that that's a very competitive space to play in. And we learned pretty quickly that the best place for us to deliver our investment strategies was through the fast-growing separately managed account network, so model portfolios, so partnering with

some strategic partners and then delivering our investment strategies through SMAs and models. And it allows us to essentially cultivate and launch new investment strategies pretty quickly and then deliver those through some of the larger intermediary platforms.

Dan DiDomenico: Fantastic. And look, you're speaking very directly to the world that we've occupied and, to your point, had to compete in. There's a lot of great competition out there, for sure. It's a great industry, and you're always trying to adapt to figure out what are the best ways for you to differentiate yourselves, your firm, your strategy, and your capabilities. So, you were then charged with that, setting that strategic plan. It sounds like there's been some changes along the way. You've been evolving. Talk to us a little bit about that evolution here in the US and then, ultimately, how it is that you've constructed your team to support with those strategies.

Damion Hendrickson: Yeah, it's a great question. So, I've constructed the team. I have five salespeople and growing, so we'll hire a few more. But they have essentially been generalists. So, we focus on key accounts, and we focus on the gatekeeper in terms of sales. But I try and create a very collaborative culture that we work together. So, we try and work together collaboratively on multiple accounts and not create a competitive world that traditionally drives a lot of sales environments. So, we've had to really try and understand where the market is going in terms of innovation. And it's moving very, very fast, as you know, and whether that be in the vehicles that investment strategies are delivered in or just the strategies themselves. So, there's a shift into the alternative space right now, so we're trying to figure out how we can take advantage of that when we look to the growth of our organization. So, we've had to take a look and try and figure out where we think the market is going to grow. So, it's obviously... taxes are a big part of the portfolio. Delivering alpha is a big part right now. We live in a world that is driven by beta and some of the larger... where we are right now... you look at the Vanguards and the BlackRocks that have really grown that index business. So, you have to be able to deliver competitive investment returns. So, we've been able to do that through and stay really, really focused. So, our core strategy is our global equities. And we find that firms enjoy partnering with a smaller boutique-type firm like us that is really specialized from a global equity standpoint. So, we can deliver global equities and several different variations. So, we have a sustainable version. We have a more concentrated version. We have a large-cap growth strategy and a spend strategy. And then we're continuing to try and innovate some of those strategies and

launch where we think the market is growing in terms of... ESG has become sort of a dirty word, if you will, in terms of sustainability. But we do believe as an organization in sustainability, in ESG. So, we're trying to drive some strategies through that and be innovative in terms of when we launch new strategies.

Dan DiDomenico: I love that point of innovation. You and I were talking, again, before we started this conversation about how that was an advantage of yours. Not being too entrenched here in the US with legacy products has given you the ability to be more adaptive, to take that feedback to then create products and strategies. So now that you feel as though you have some very good momentum here in the US. You talked about that focus of your team on key accounts, on platforms. Maybe you can share with us a little bit about that sales process then. You understand what your core competencies are, what you're really good at. You now have great validation here in the US. Now I'm sure it's about, how do we expand? How do we grow? Talk about your process, then, to cover all those platforms. And how are you thinking about measuring results? We all know the obvious. Its assets raised. But along the way, there's a lot of key milestones that I'm sure you're tracking and looking at. It'd be great to hear your insights in terms of process and measurement.

Damion Hendrickson: Sure. So, in terms of process, we had to get on the platform. So, we were new to the US, so we weren't on any platforms. So, the simplest and easiest way for us to get on those platforms was to have some key partners, so partners like yourself that would help us grow, so third-party partners. And if you look at the separately managed account business, it's growing very rapidly. So, there are some of the legacy traditional players and the TAMPs that we know, the Envestnets and the AssetMarks of the world, but there are some really interesting fast-growing more technology plays. So, you look at the Advysons and the SMArtX's and those of the world that are growing really rapidly. So, it was trying to figure out what partners that we could partner with, and we could help them grow, and they could help us grow through some of our investment strategies. So early on, we decided to focus on some of those smaller players in the TAMP marketplace that were growing and that we thought were very innovative in terms of the way that they delivered their technology and more open architecture than some of the historic legacy TAMP platforms. So, we made a real focus to partner with those firms. So, the idea was to get on all the turnkey asset managers to be able to deliver our strategies and then ultimately get on some of the big custodians. So, if you look at what

is the fastest-growing space, it continues to be that investment advisor. The REA space continues to grow. The independents continue to grow faster than some of your more traditional wire houses. And so that's a place that we decided that we wanted to be able to deliver our investment capabilities to and through the model portfolios that allowed us to do that. So first, we had to essentially partner with some technology firms, and then we had to partner with some of the custodians, and then be able to deliver those assets. And so, we deliver it to REAs, family offices, and really, to the key gatekeepers. So, we don't do a lot of wholesaling like we do up in Toronto. So, we have roughly 75 people on the sales team up in Toronto, 35 wholesalers. It's a very different model down here. So, we just really focus on the gatekeepers and getting in those models and getting our strategies approved and trying to understand where the needs are for the REAs and the independents.

Dan DiDomenico: Clearly, you're creating great efficiencies and identifying those points of leverage within otherwise very large networks of advisors and trying to drive those asset flows more from the top down.

Damion Hendrickson: Yeah.

Dan DiDomenico: So, you set that plan.

Damion Hendrickson: Yeah. So ultimately, success to us is getting on a platform and then getting our strategies approved in a model. And that could mean through one of the turnkey asset managers. That could mean through one of the large private banks or wealth management firms. But that's really where we try and deliver that value, is to go in there and be consultative and innovative and sit with the investment teams and almost act as an OCIO to some of those larger gatekeepers and to go in and try and understand what their asset allocation looks like, how we can add value there, how we could participate in those searches, and then ultimately, get in one of their models. And that allows us to have a smaller sales team versus having to go and direct and call on everybody.

Dan DiDomenico: We have a very similar approach. And we've grown our business as well and fundraising for boutique asset managers, knowing that we don't have all the boots on the ground to be able to wholesale and grow from the bottom up. It is certainly focusing on those points of leverage, those discretionary assets

within those large organizations. But we also know those are very long sales cycles. So how are you leveraging a CRM? We find it to be very powerful. It's been the backbone to our business. Very curious to how you're all leveraging the power of the CRM in your day to day.

Damion Hendrickson: Yeah, so I completely agree with you. We are in a data-driven world, and that means a lot of different things. So that means, who are we partnering with to get that data, to deliver that data, to do it as efficiently as possible? We're a small team, so we have to have partners like yourself, so whether that be trying to understand the databases, where the search activity is taking place, and having clean data, whether that be partners like yourself and being able to create lists and create mailing lists and really deliver things through our CRM. And it just makes it much more efficient. So, if you look at the sales process now, and I think especially driven out of COVID, the sales process... to use a baseball analogy, I think starts in the... call it the fourth or fifth inning right now. So, you have to have clean data. So, you have to be on the databases. You have to be updated. You have to be there. Because those gatekeepers, they know more about you by the time they make that call, generally speaking. Your traditional going to a conference and meeting people and cultivating those relationships still exists, but we're in a world right now that you have to be able to be seen out on some of these databases and then have partners from a CRM standpoint to be able to then prospect them much more efficiently. Because we just don't have the boots on the ground, as you said, and we don't have the manpower. So, if we can have some really key strategic partners when it comes to helping us deliver that data and deliver clean data and make us more efficient, and whether that be through prospecting or really just servicing our clients, it's key.

Dan DiDomenico: Yeah, we think, obviously, data is core. And the more efficient you can be with your time to establish those lines of communication, create the relationship... again, they take time. These are long sales cycles. So, we always say, how can you increase the number of relationships? And we think data is a great way to be far more productive in your day to day, allowing your team to focus on what I'm sure you want them focused on, which is going out to establish those relationships, versus having to through a lot of data, not having clarity in their day to day. And this hopefully gives them a lot more line of sight, clearer line of sight into what they need to accomplish. Talk to me a little about your leadership style. So, I love the fact that you're staying organized. It sounds like you have a very clear strategy, a very clear mission for your team. You're providing

them with that right data. Talk to us a little bit about how it is you then lead your team. You've been very successful in prior positions. You've been brought in for a very clear purpose based off of what you have accomplished and where you focused your time over the years. How are you now applying that to AGF?

Damion Hendrickson: Yeah, it's a great question. So, one, it starts with the client, so trying to understand the client needs, and then really to create a culture of collaboration, and then constantly be challenging each other. So, my team, the senior management inside of AGF, we are constantly trying to evolve. We're constantly trying to understand where the business is going, where trends are going, and really create that culture of innovation and culture of wanting to be successful inside the organization, so trying to create that team culture, trying to create a winning culture together versus independent salespeople going out and trying to have individual wins. So, because we are small, because we are a growing business, we have multiple people on some of the larger relationships. And we cover some of the bigger firms, whether they're the wire houses or some of the big REAs, the aggregators. You have to have multiple touch points to create that culture inside the organization of collaboration and engagement and really try and create a positive culture inside the organization to get everybody on the same page in terms of success. So, define what success is as an organization, where we think that we can build our business, and then be really open and really transparent with the sales team. I think that comes from our leadership as well. So, if we look at the executive team, everyone has an open-door policy. So, we can go to our CEO. We can go to our president. My team, fortunately, has a great relationship with them. They understand what it takes to build a successful business. So really having that open door and trying to create that culture, I think, really helps versus trying to compete with each other. And I've hired some folks that want to be part of that. I think through the interview process, through the hiring, we're very clear... I was very clear that we have a very tremendous opportunity to grow a well-established organization inside of the US and to get in at the ground floor. And I think that if you look at, early on, what we've done, from really starting at almost nothing on the separately managed account business and having over \$1 billion now, really being streamlined and really being focused on our ETF business... we decided early on that we wanted to stay in the ETF business, but we had to be really laser focused on what we wanted and how we wanted to deliver it. So, we now have one ETF that we're focused on that's pushing up to about \$300 million. And we think that should be \$1 billion product as well.

So, we'll continue to try and innovate and try and deliver investment solutions and create that culture.

Dan DiDomenico: I love that. We embrace a lot of what you just discussed that concept of working as a team in a role or position that historically has been far more competitive internally. You can still challenge one another but do it in a way where you can create goals that are for the greater good. And that might sound a little cliché. It's hard to do. So just talk to us a little bit about what that communication routine looks like. What are the check-ins look like. What are those internal... if you could bring us into the walls of your conversations with your team, how does that flow?

Damion Hendrickson: Yeah, so it really starts on the investment side. So, every morning, we have an investment call with the investment team, so roughly 50 people on the investment team. It starts off with our head trader. So, it goes through what happened in the overnight markets, what we see in terms of where futures are headed, what Europe did, what Japan did, et cetera, in the overnight markets, what rates are doing, et cetera. And then we move on to our CIO and CEO Kevin McCreadie, who gives more of a macro update, so spend some time on the macro and what numbers are coming out, where we should be looking. And then we move on the political side, so Greg Valliere, who really has a great pulse on what's happening from a DC standpoint and political standpoint, and then tying that back into the markets. And then we open it up to the portfolio managers, so whether something's happening with rates in the fixed-income market, whether there are earnings. So, it's about a half an hour every morning. So that's how we all start our day. And then I have a team meeting with my entire sales team, the global sales team, once a week. And it's really focused on what's happening, where the winds are, where we need help. And then every day, we have breakout sessions with the team trying to figure out where we see opportunities. I have one-on-ones with my team pretty regularly, multiple times a week, because we are a small sales team. And then we get together in terms of trying to understand where the growth opportunities are as an organization, how we can collaborate, work together. So, I would say it starts with that first meeting of the day, and that sets the tone, because it all is about trying to deliver great investment results to our clients. And that's how we start our day.

Dan DiDomenico: Fantastic. That you're arming your team with a lot of great information, real-time information. You're hearing from the investment team. You're hearing from senior leadership. So they feel

connected to the business. But ultimately, that's our currency as investment sales professionals, the insights that you can bring to a conversation. That's going to set your team apart from others out there. I always say to our sales team, clearly, we all measure ourselves in your ability to get that first meeting. It's extremely important. But what is that you're bringing in that meeting of value to get the second meeting? What is it that you're preparing for, the value-add in that meeting for them to want to take your call again? You're giving them a lot of great real-time information. And not that there's anything going on in the markets or the political scene for people to pay attention to. It's insanely how rapid the information and information flow that we can get ourselves into. But then to hear how that applies to your strategies and your business, that is fantastic for your investment sales team to hear on a daily basis.

Damion Hendrickson: It is. And we try and... as you know, and I'm sure you do with your sales team, it's about trying to have conversations, collaborative investment conversations, trying to understand your client needs and trying to understand... and then be able to offer that advice and to go in and just sit and listen. So, we stress that really hard. I stress that with my team, to be able to go into your prospect, to go into your client, and just listen and try and ask them what they need and meet their needs.

Dan DiDomenico: That is a great approach that you encourage with your team. It sounds like you stay very, very close to everything that's going on in terms of the business, as you said, where the opportunities are. We always like to say with our investment managers that we're raising money for, we don't want surprises. We want them to know exactly where they stand, the feedback that we're getting from the marketplace, and ultimately, where we, as best as we can, predict where we think fundraising is going to go in the near to medium term. So, it sounds like you're getting all that real-time information. We love that culture of collaboration, open-door policies. What other advice would you have for a young person that's trying to break into our industry?

Damion Hendrickson: I would say to be a student of the investment business, so to read a lot, to try and understand trends, to find a mentor that will help you and guide you. And it doesn't need to be an investment mentor or just a mentor that you can work closely with and try and understand what your career should look like and where you want to take your career. But don't get frustrated. This business

is evolving and changing really, really quickly. So be a student of the business and understand that you have to change, that you have to adapt, and you have to change your skill sets. So, investments are changing. As we mentioned earlier, the focus on alternatives is changing. The focus on asset allocation is changing. That traditional 60-40 is in question. So just continue to try and learn as a new person, and then stay at it and don't get frustrated. Because it takes a while. And success isn't overnight. Success is something that takes a long time to build. And if you stay patient and stay with it and continue to educate yourself and continue to try and be, like I said, a student of the business and a student of the financial markets... because that's all about helping your clients. It's not about going in and trying to sell a particular strategy. It's about going in and having a collaborative conversation about what's happening in the investment world, and whether that be a long-only equity or a long-short or a fixed-income product or whatever it may be, is to be able to sit down and have that conversation with a prospect and try and understand what their needs are and where their asset allocation is going. And that, ultimately, will hopefully lead to some type of investment discussion of where your expertise is.

Dan DiDomenico: That's great advice. I hope people listening, young people listening, even more seasoned, experienced people in the industry, listen to being patient. We live in a world of immediate gratification, but that doesn't exist in our world. But the more that you can be collaborative... and I find this to be the joy of our business, is knowing that every day, there's something new. You want to pay attention. You want to understand what those market dynamics are, then ultimately, how do you fit. We call that talking about performance expectations. With all your capabilities, what should you expect from various strategies at different times? And that's a big part of what our role is, is educating those that we're talking to within those conversations, listen to what their needs are, and then be able to position correctly, message correctly what it is that you can deliver set against the right expectations and various markets. As a sales leader... we have a lot of sales leaders that listen to these conversations. I always say, to your point, you want to constantly be learning. So, I hope people out there are listening to these types of conversations to learn something from yourself with your background. It's obviously a very exciting time to be at AGF, and now building a new brand within a new market audience. What advice would you have for a more seasoned sales leader they can apply in their day to day?

Damion Hendrickson: I would say pretty similar. So, try and understand... working for a Canadian firm, there's a lot of hockey analogies... so trying to understand where the puck is going and try and understand where trends are and focus on those. So, from a big-picture standpoint, if you look at the trends in the US business and the long-only mutual fund business, which continues to be in outflows, the growth of the beta business, and then the growth of the model on the SMA business. So, my advice is try and understand where trends are going. And we think that alternatives will continue to play a larger part. So as an organization, we're trying to figure out how do we play a part in that growth, whether that be organically or inorganically through some of the partnerships that we've had. And then try and look at where you think the business will be in the next two to five years, and then try and take advantage of that. So, we think taxes are not coming down, so try and create portfolios that are tax-conscious, whether that be through tax loss harvesting... that's why we think the model business and the SMA business will continue to grow. The alternative business, try and figure out, how do you bring more mainstream or more traditional institutional-type alternatives to more mainstream customers, and whether that be in a liquid format or a non-liquid format? And then it's all about education. So really try and focus on where you think the trends are going, and then try and adapt to that and try and come up with creative products that you think will fit to meet those needs.

Dan DiDomenico: That's so well said. For those that are listening, I hope you get a lot out of what Damion is sharing, because it is so important for you to have the right products, the right ways to access those products and investment strategies and bringing them into the right channels. And we all want to be a part of those channels that are growing. You're in a tremendous seat here, being able to understand that and being able to adapt. It sounds like you have the full support of your senior leadership team, so give them a lot of credit for thinking about the US market in that manner. As a distribution leader, talk to us a little bit about... and we'll wrap up here with this question... around the challenges that you're facing on a day-to-day basis and how it is that you're thinking about bringing solutions to those challenges that maybe you, your team, your organization is facing out there today.

Damion Hendrickson: Yeah, it's really just about trying to stay current and trying to understand where we think asset allocations are going to be and where we can play a part in that and then trying to separate yourself from... it's a very big investment world out there,

and there's a lot of firms, and a lot of really, really successful firms out there. And trying to differentiate yourself and come up with a creative message of why we think that we can deliver value to some of our clients. So, it's trying to stay really, really laser focused on where your strengths are. Don't try and be everything to everybody. I think that there are plenty of firms in that sort of boutique, if you will, that \$200 billion and under, that are going to thrive in this market right now. So as long as you can continue to stay aware of where the trends are going, stay really focused on what you're good at, and not try to be everything to everybody, that will separate you. Because you can get lost. It is a big world out there on the investment side. And unless you can deliver key values and key investment strategies and key solutions, then you're really not going to make it. And we find that trying to stay current is our biggest challenge, and trying to be able to understand where investor needs are and trying to adapt to that. Because we're in growth mode, and we are a growth organization. And that comes from our leadership, is trying to understand where we think the next opportunity is going to be for AGF. And really try and find key partners, because you can't do it alone. And whether that be partners from an investment standpoint, partners from a data standpoint, partners from a fundraising standpoint, try and find some key, select partners, and try and help them grow as they help you grow.

Dan DiDomenico: Damion, this has been a fantastic conversation. I've learned a lot from it. I'm so grateful for your time and for your insights. Based off everything you shared, I'm not surprised by your early success, and I have no doubt that the momentum for AGF here in the US will continue based off of your leadership and, I'm sure, a great team that you have and the culture that you've created, all that an extension of all the success that you as an organization have had up in Canada and globally. So, we wish you the best of luck. We're so grateful, again, for your time here with us today. And I hope everybody that has listened to this conversation has gotten from it what I have, which, Damion, just listening to your comments around collaboration, around challenging, so staying adaptive, learning, listening... I mean, those are all so core... I think... critical to being successful. And clearly, you embody all of that. And I'm sure your team is learning a lot from you. So, thank you again for being here down in Philadelphia at our studios here in Dakota. This is another great Rainmaker Podcast. We wish you the best of luck.

Damion Hendrickson: Thank you.

Dan DiDomenico: Safe travels back up to Boston.

Damion Hendrickson: Thank you. Thank you for having me. And we truly, truly appreciate the partnership.

Dan DiDomenico: Thank you, Damion.

Damion Hendrickson: Thank you.

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.

Gui Costin: Hey, thanks so much for joining Rainmaker Podcast. Hope you enjoyed the show, enjoyed the interview. I know I loved it. And hey, if you wake up in the morning and you raise money for an investment firm, if you do cold outreach, whether you're a sales leader or a salesperson, and you don't know about Dakota Marketplace, we would love to show it to you. It's world class. It's used by over 880 investment firms and over 3,600 individual salespeople. To learn more, go to [dakota.com](#) and click on a free trial.