

ASSET MANAGEMENT DISRUPTOR



FLOYD
TYLER, PH.D., CFA

PRESIDENT & CHIEF INVESTMENT OFFICER



PRESERVER
PARTNERS

OPPORTUNISTIC INVESTING + STRONG INCOME GENERATION

Tell us about Preserver?

We were founded in 2009 in Memphis with \$250,000 right after the Great Financial Crisis with one employee. We wanted to manage money in a diverse portfolio of marketable alternative strategies that generate income. It has been a difficult journey to get scale, but today Preserver is an SEC-registered firm with five seasoned professionals managing approximately \$220 million in private investment funds and a mutual fund for pension plans, foundations and endowments, family offices, corporations, and individual investors. We also have a small private foundation, Preserver Partners Foundation, that supports local charitable organizations working on education, economic opportunity and social justice.

What is your company culture?

It's a collaborative and client-centric culture. We enjoy the work that we do and working together to advance the mission and objectives of our clients. Our investment work allows our clients to reach their investment goals and creates additional financial resources so they can do more great work in their businesses and communities, increase their philanthropic activities, or take care of the families.

What are the biggest opportunities for growth?

Many investors need higher investment yields than are available

from traditional asset classes. Our biggest opportunities are to grow our flagship income fund and to expand our strategic partnerships with trust departments and family offices where we create and manage alternative income funds for their clients. Because we seek to generate 7-9% in annual income without excessive credit and interest rate risks, we have a lot of growth opportunities.

What sets your company apart from competitors?

We manage high income, marketable alternative portfolios. Our investment strategies are differentiated because of the uniqueness of the alternative assets that we invest in and the significant amount of income that our portfolios generate. In recent years, we have generated 7-9% annual yields from a diverse portfolio of income-generating investments. In today's environment, where investment yields are low, our portfolios make a lot of sense whether investors need income for spending purposes or want to reinvest it. We can find attractive yields in relatively uncorrelated assets. In each of our four focus areas, we have a unique approach to strategy selection that allows us to invest in private assets as well as listed securities.

How do you find income outside of fixed income and dividend paying stocks in such a low yield environment?

I would say having a broad investment

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mandate and the flexibility to invest in niche alternative strategies. There are so many interesting opportunities that generate income outside of traditional investments. Many alternative income strategies have a completely different risk/return profile than traditional assets and as well as higher yields, lower interest rate risk and more senior-secured collateral. Our focus is not on beating the S&P 500 Index. Our focus is on generating stable, consistent income-driven returns with low risk from a diverse set of uncorrelated assets and strategies.

Can you give some examples of the alternative income assets that Preserver invests?

Absolutely. Some of our alternative income investments include long-term leases on railcars, cell towers, inland marine vessels; and agricultural, trade finance and e-commerce receivables. Other examples include first-lien real estate debt in the U.S. and senior debt facilities to Australian residential developers. One common comment that we receive from investment consultants and capital allocators is that our strategies are attractive complements to their traditional investments because they are unique and differentiated.

Can you talk about some of the exciting things that you are working on?

We are in due diligence on a lending facility to provide short-term advances

on streaming music revenues for independent artists. Another potential investment focuses on financing aggregators of online video channels to grow digital advertising revenues. Both investments are expected to deliver double digit yields.

What has made the biggest difference in Preserver's success?

I would say a couple of things. First, our team is first-rate and fully committed. They are smart, hard-working and collaborative. Dana Pointer runs all non-investment functions including operations, marketing and compliance. Lara Payne, Mick Clowers and Gina Capizzani Miles, who recently joined us, are as good as they come in their respective areas. But they are also just good people that care about their work and our clients. They are people that I would be friends with if I didn't work with them. Second, we are aligned with our clients. We all invest our personal assets in Preserver's investment funds under the same fees as our clients. Third, we have great clients, many of which have supported and had confidence in Preserver since the early years. There are too many to name here and it sounds like a cliché, but we would not be here today if they had not taken a chance on us.