

Talking trust in the industry, ESG and Dad's taxi with Jasper Berens, Head of Distribution at Artemis with Richard Romer-Lee, Square Mile



# TALKING WITH

Jasper Berens



Head of Distribution at Artemis

## HOW DID YOU GET INTO THE INDUSTRY?

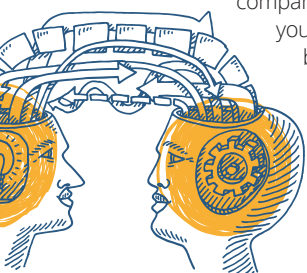
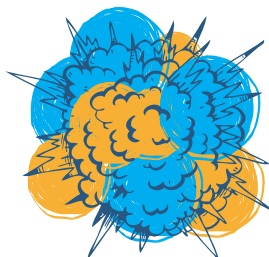
No one grows up thinking they're going to be a unit trust salesman. After university, I had absolutely no idea what I wanted to do. I had been left some money by my grandfather so I went to my father who was himself a fund manager and asked what I should do with it. He said it was up to me to work out what to do with it - so I got into fund management. I started, at Hambros, at the bottom. The first role I had was in the desktop publishing of our fact sheets and worked my way up through the organisation.



## HOW IMPORTANT IS DISTRIBUTION TO AN ASSET MANAGEMENT COMPANY?

Without distribution you don't have a business. The two key elements of an asset management company are your clients and the fund management capability. So without clients you don't have a business and without outstanding performance you don't have clients. The two work symbiotically, and that's what makes an asset management company work. And the better

you are at both of those, the better. Artemis is a good example with a strong understanding that both of those are incredibly important to the organisation.



## WHY DID YOU JOIN ARTEMIS?

I spent 20 years at JPMorgan Asset Management where I'd spent a long time building up a brand and a footprint of an American bank-owned asset management company in the UK. It was a real challenge. But 20 years is a long time and I wanted to do something completely different.



## WHAT ARE THE IMPORTANT COMPONENTS OF CULTURE?

Culture is tricky to define because it's very different at organisations. At Artemis we understand that culture is absolutely critical to how the firm works, what binds us and then how we communicate that to our clients. First and foremost clients really do come first. We aim to create a framework of taking our fund management capability and taking it out to our clients and doing that all the time with accountability and integrity. That is what the culture, with a little bit of informality, is at Artemis.



## WHAT DO FUND MANAGERS LOOK FOR IN A GOOD DISTRIBUTOR?

A team of people that have excellent client relationships who really understand exactly why the clients are invested in those funds and communicate the message of what is happening in those funds at all times.



## DO ASSET MANAGERS CONVEY VALUE FOR MONEY?

The industry was slow to respond to the consumer demand for appreciating and understanding value. It said that consumers should just consider performance of a fund after fees have and then look at it from a competitive positioning. That's where the industry came unstuck. Actually what consumers want to know is what are they paying for. Crucially, as an industry, we've not properly highlighted how much money we make clients over a long period of time. I'm actually quite excited about the challenge of describing to the consumer the huge benefits that they get by investing in an investment management.



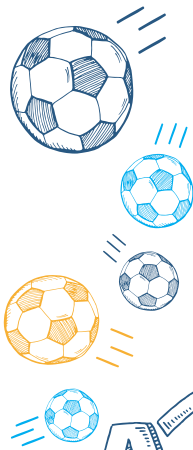
## WHAT'S YOUR VIEW ON THE VERTICAL INTEGRATION?

The strengths of vertical integration is you keep everything under one roof which is why many have gone down that route. That's obviously not something that Artemis can do -we're a manufacturer of investment products, we don't distribute funds to end consumers. So for an organisation like us it's about absolutely being true to what we do well, which is manage money.

## WHAT CAN BE DONE TO REBUILD TRUST IN ASSET MANAGEMENT?

Asset management is organic, it moves up and down and so performance moves up and down. It is also intangible, you can't touch or feel asset management which makes it more of a dream or a promise - and consumers aren't used to that. Also, what asset management does

is really long term- in some cases, 10, 20 or in most cases 30 year investment horizons and some consumers are not used to thinking that far ahead. Add all of those things together with an industry that is not describing what it does best, you can see why the end consumer has lost touch. We all need to work much more cohesively to create a framework that all of us operate in to then take those messages out about what we do.



## WHAT GOOD ADVICE HAVE YOU BEEN GIVEN?

Jamie Broderick who was my boss at JPMorgan Asset Management told me to use annual appraisals to evaluate what you do well and what you could work harder on. He also said to remind yourself that you work in a people business and particularly as a head of distribution, you need to make sure that those people want to stay in your organisation.



## HOW DO YOU RELAX?

When I get home to my wife and my three children, my time is dedicated to doing things with them. I also enjoy doing drinking wine and watching cricket and football. But most weekends I provide a taxi service driving my kids from one function to another.



## WHAT ADVICE WOULD YOU GIVE TO SOMEONE STARTING OUT?

I would hope that anyone coming into the industry now would work out the social benefit of what we do as an industry and the good that we can bring to bear. Work out what your strengths are, are you going to be a people person getting out in front of clients, talking to clients or are you going to be more analytical looking at stocks and bonds and be a fund manager. Work out what you want to do quite early on and then stick to it.



## IS ESG AND IMPACT INVESTING THE FUTURE?

ESG is an incredibly important facet of investing and is now moving from being a small view to one that is now much more widely recognised by clients. Having started in the institutional arena it's now moving more into the advisory community -for very good reasons. ESG gets to the very heart of the role that asset managers play within society. People increasingly want their fund managers to be very careful about who and what they invest in which is being symbolised through environment, social and governance issues. ESG is going to become an increasingly important part of active fund management, in particular, and so the responsibility that fund managers have on behalf of their clients will grow. Meanwhile, the wall of money that sits passively in passive investing can only ever follow what the active fund managers are buying in terms of the stocks that they buy.



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