



## Publicizing G3 and IP disclosure

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## Global Multi-Asset Model 3.0: Background

- iCapital's Portfolio Analytics Research Group (PARG) invested substantial time and capital in developing the technological tools for assessing alternative risk in a portfolio context for the Architect platform.
- G3 is the culmination of this research effort. It represents the underlying engine behind nearly all of the analytics present on Architect.
- Enterprise prospective clients of Architect assess the credibility of Global Multi-Asset Model 3.0 (G3) as part of their due diligence, while sophisticated RIAs look to thought leaders in assessing portfolio tools.
- iCapital must set an external communication strategy for G3 to that maximally amplifies the work's contribution to firm value.

## External communication strategies for G3

### 1. Publication in highest credibility peer-reviewed publication

- Prioritizes impact and the benefits of external validation of the tool at the cost of IP disclosure.

### 2. Publication with reduced methodological disclosure

- Limits methodological information available to our competitors at the cost of reducing the quantity, impact, and credibility of journals willing to accept the submission.

### 3. Self-published white paper<sup>[1]</sup>

- Further prioritizes protection of methodological advances but forgoes any credibility benefits from a journal's independent external validation of the tool.

<sup>[1]</sup> Options 1 and 2 do not preclude white papers for accessibility and marketing purposes. Option 3 refers to the creation of white papers without a foundational journal publication.



## Option 1: Publicize with full transparency

### Pros

- Provides independent validation of the methodology. Makes credibility of Architect's analytics self-evident to clients.
- Maximizes iCapital's credibility, validation, and thought leadership. Facilitates collaboration with the global research community.
- Possibility of methodological enhancements discovered during the peer review process.
- Allows for maximum impact marketing push. Can leverage the publication for conference presentations, media coverage, and derivative content (white papers).

### Cons

- Reveals more underlying IP, which could be studied and potentially copied by sophisticated competitors like Blackrock
- Highest effort option for the research team. Devotes resources to meet the exacting standards of top journals.
- Long submission and publishing cycle (est. 6-12 months until full acceptance, mostly due to peer review).

## Option 2: Publication with reduced disclosure

### Pros

- Allows for selective redaction of elements of the core IP underlying G3.
- Peer reviewed publication still maintains a level of independent external validation of the methodology.
- Provides “free” circulation of the benefits of G3 among practitioners.

### Cons

- Sacrifices the credibility and validation conferred by the higher status journals.
- Limits researchers and academics from building upon our work and replicating our findings.
- Reduced possibility for identification of methodological advances in the peer review process.
- Anticipated level of methodological disclosure potentially reduces the cost for competitors to create similar tools.

## Option 3: Self-published White Paper

### Pros

- Maintains strict control over IP and confidentiality, minimizing risk of competitors copying our work.
- Clients use sales-forward material to form an initial impression of the tool.
- Fastest time to publication.

### Cons

- Lack of credibility and validation within the broader research community. Whitepapers are often perceived as marketing collateral.
- Sacrifices all credibility benefits of external review and validation of the methodology.
- Forces more sophisticated clients to devote additional resources in establishing the credibility of our approach.
- Only limited contribution to iCapital's thought leadership status.



## **Recommendation: Publicize with full transparency (Scenario 1)**

- iCapital's competitive moat in analytics relies not just on our IP, but also on our ability to communicate it.
- A world-class academic paper serves as the foundation for a wide range of marketing and thought leadership activities, allowing us to shape industry dialogue and position our firm as the partner of choice.
- IP protection is important; however, most sophisticated competitors can often reverse engineer key insights from even limited disclosures.
  - Trying to maintain complete secrecy often limits our upside more than it constrains competition.
- Efforts by others to replicate or build upon our published work create consulting and advisory opportunities, enabling us to monetize our IP through service offerings



## Charting the Path Forward

- Refine our target journal list and develop a tailored submission strategy to maximize likelihood of acceptance and impact
- Identify key marketing, PR, and business development initiatives to amplify the impact of the publication and drive revenue opportunities
- Develop a suite of consulting offerings and methodologies to help clients implement our findings and build upon our published work
- Continuously assess and refine our IP protection strategy, focusing on safeguarding only the most novel and critical "secret sauce".
- Cultivate relationships with key editors, reviewers, and industry influencers to stay at the forefront of the research community and shape the direction of the field.





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