



Money Honeys

It's become impossible to ignore: Most hedge fund marketing executives share some key assets.

Photograph by JENS MORTENSEN

When Stanford University released a recent study saying that men are more prone to taking financial risks when faced with erotic images, it was no surprise to the car-show marketers who drape models over their vehicles or to the Hollywood studio execs who employ the infamous "D-girls" to woo producers. Strategic mixing of business and pleasure has been around for eternity.

But in recent years, such strategizing has infiltrated even the most buttoned-up of enclaves: the world of finance. Nowhere is the phenomenon more blatant than at hedge funds, where the term "marketing executive" has become all but synonymous with a blond in Theory trousers (the rule being figure-hugging is a go, Roberto Cavalli a no). "Hedge funds aim to hire hot women [to work in marketing]," claims Bess Levin, a writer at the insider-y finance blog dealbreaker.com. Much like the army of attractive pharmaceutical reps who make pitches to doctors on behalf of drug companies, these peppy twentysomethings have taken over the task of luring clients for

their wonky portfolio manager bosses. "Guys who have a load of money [invested] in these big funds are often pigheaded, type A male personalities," says one male marketer by way of explaining the estrogen predominance in his field. "They want a hot chick with a nice ass and nice boobs who is going to come in and sell the fund to them. I have a friend in the industry who is drop-dead gorgeous, and even she knows that's the only reason she has her job."

"You meet these bimbos and they say, 'Oh, I work at a hedge fund,' and you think, 'What?!?'" says one head of an investment bank who pals around with high net worth investors. "And then you realize, Oh, this is, like, the PR girl. And it's a wildly successful strategy. The influential rich people who put money into these things like to be titillated by pretty girls."

"The looks definitely help," one blond, curvy female marketing director admits matter-of-factly. Which is why, despite sometimes limited knowledge of the very funds they work for, these young women are jetting to conferences at the Palm Beach Ritz or to meetings in Paris. They wine and dine investors, taking them to private clubs like the Grand Havana Room or to the U.S. Open before passing them off to their bosses on the investment side for a more nuts-and-bolts-type meeting.

The female marketing staffers regularly find themselves entertaining men who are often decades older and used to getting their way. It can lead to dicey situations: One marketing exec says she was asked to dinner by an investor in her small fund—he happened to be a high-profile billionaire—and sensed that he was after a date rather than a business chat. Confronted with this not-uncommon scenario, she felt there was only one way to handle it: "I had to accept," she says. "It's my job." (It was, in fact, a date, and after several more overtly romantic meetings, she managed to tactfully distance herself.)

Says the curvy blond, "Just last night I had dinner with a potential investor, and he e-mailed me 20 minutes after we left, saying, 'Great spending time with you

tonight. Let's do it again soon.' That's not, like, a professional follow-up note. But," she adds, "he was nice and cute, so I wrote back. Some guys flirt a lot, and you have to be very careful, because some of them get dirty. You can never get your reputation back." Another lithe exec complains about men who repeatedly arrange evening meetings without ever actually investing in the funds. "It's a gray area: We know it's business, and the men know it's business, but there is also the allure of attractive, young girls taking them out," she says.

Employing feminine charms as a business strategy requires these women to walk an extremely fine line. "There is this stigma," says one female marketer. "You don't want to be out there giving your business card out and saying, 'Call me!' You have to do everything in a very tactful way." And the rules change when other females enter the room—investors' wives, for instance. "You have to tone it down when the wives are around," says the lithe marketing exec. And sometimes, finding a different strategy is helpful: "I had to start watching more television, like *American Idol*, so I could find some common ground with them."

Some hedge funds have been known to treat modeling agencies as temp agencies, asking them if their charges will work off the catwalk as assistants. Others have even hired former models full-time to handle investor relations. "I have heard of headhunters being told to search specifically for 'Swedish-looking' women for marketing positions," says one horrified female finance executive. More egregiously, adds one 28-year-old female analyst (one of the rare double-X chromosomes on the investment side of the business), European-based hedge funds have allegedly begun hiring Eastern European model types to act as marketing execs on business trips to the Middle East, where, with oil at more than \$100 a barrel, a \$100 million investment is like Monopoly money. "A lot of fund managers are dorky, and it's more interesting for [the investors] to see this gorgeous model from wherever," says the analyst.

Such stories are part of the reason intelligent, ambitious women in the hedge fund world are still struggling to be taken seriously. "Marketing is the ghetto where they put the women," says one woman who heads up her own hedge fund. Adds Levin, "The marketers don't like that stereotype, but there is a lot of validity to it." Says the aforementioned male marketer, "I have never, ever seen an ugly person in this role."

And the trend has consequences beyond awkward "business" dinners and hiring practices that seem to discriminate against the genetically nonblessed. For one, women on the investment side of the industry are loath to be mistaken for marketers. "People always assume that I'm in marketing," says the analyst, "because I have blond hair and maybe I spray-tan too much."

But if the "marketing girls" are hired to lure investors with more than just their smarts, they are surely reaping the benefits. Though they usually don't receive a cut of a fund's profits, they are compensated well (marketing directors can make up to \$2 million including bonus, while lower-level execs can make between \$200,000 and \$500,000). And, according to one investor who's been wooed by hedge fund hotties, there's another upside to the job: "It's an easy access point to a rich husband," he says. "These girls don't talk to anyone worth less than \$50 million."

—ELISA LIPSKY-KARASZ