



## JPMAM Taps Alts Platform for New RIA Market Push

By Fola Akinnibi May 17, 2018

J.P. Morgan Asset Management (JPMAM) has teamed up with BlackRock-backed alternative investment platform **iCapital Network** to use its technology to distribute products to independent registered investment advisors (RIAs) and high-net-worth investors, the firm announced today.

JPMAM has also lowered minimum investment amounts as part of the move, which marks the first time the \$1.7 trillion manager has made its alternative strategies available to non-institutional investors, according to the firm.

The partnership will allow RIAs and qualified individual investors access to certain J.P. Morgan alternative strategies through a J.P. Morgan-branded platform powered by iCapital's technology, a spokesperson says. The firm has dropped its minimum buy-in for certain alts products to \$100,000 from \$10 million, according to the spokesperson. Historically, these strategies have been harder for non-institutional investors to get into due to the high-dollar entry thresholds and extensive due diligence and administrative requirements.

However, high-net-worth investors have been looking to enter the alternatives space and managers are looking for ways to accommodate them. The J.P. Morgan partnership will begin with offerings from its income-focused alternative strategies, according to a statement.

"iCapital's industry-leading financial technology platform solves a critical need and will allow us to expand access to our alternative investment capabilities among a wider audience," Christopher Hayward, managing partner of J.P. Morgan's alternative investment arm, said in a statement. "We anticipate that we will launch additional strategies over time."

The RIA space is ripe for alternative investments, because they have typically faced barriers to entry, which isn't the case in the institutional market thanks to its size and scale. iCapital has been able to make deals for custom platforms or other services with about two dozen banks and asset managers, including Fidelity, Dynasty Financial Partners, Apollo Global Management, Warburg Pincus and Carlyle Group, among others, as reported.

Last July, Morgan Stanley Investment Management (MSIM) partnered with iCapital for its own private fund offerings, as reported. MSIM made a strategic investment in the firm and left the door open for iCapital to add MSIM private funds to its larger turnkey product platform.

Both J.P. Morgan and iCapital's competitors have also been active in the space, teaming up with technology providers and entering the marketplace for high-net-worth investors.

Nuveen and its parent TIAA Global Asset Management teamed up with Artinvest, an iCapital rival, to offer a similar branded platform that offers a suite of private equity, private debt, real estate, infrastructure, timber and agriculture funds from its parent company, as reported.

BlackRock, which has made a strategic investment in iCapital, also partnered with Artinvest to provide alternative investment offerings to RIAs, as reported.

Specifically, BlackRock opened access to these investments that were previously restricted to institutions by allowing minimums as low as \$250,000 for qualified investors. It started with infrastructure, but left the door open for other types of alternatives.