

# INVESTMENT MANAGER SEGMENTATION

**Erik Beck, Managing Director, Global Client Management, BNY Mellon**  
**Daron Pearce, Managing Director, Investment Services, BNY Mellon**

**Erik Beck:** At BNY Mellon, investment managers are a core part of our business and our revenue. We make over 20% of our revenue from this segment.

Investment managers are one of the fastest growing and most exciting segments, and we believe this is happening for a handful of reasons. There's a big shift in the way that people are saving for retirement. Companies and governments are no longer providing a common and defined rate of return over time. This is the shift from defined benefit to defined contribution that everybody's aware of.

At the same time, individuals are also saving in a different way and are putting money forward instead of relying on governments and companies to fund their pensions.

**Daron Pearce:** Focusing on specific market segments really enables us to introduce more specialization for our clients. We have an enormous amount of specialist knowledge and capability in this organization. And what we want to do is train our teams to really shape our solutions and capability to address the specific needs and challenges that our segment clients face.

**Erik Beck:** There's a confluence of events that are happening in the industry that are creating a major opportunity for us and our clients. Global regulatory change has created an opportunity, but also a major challenge that we can help clients with.

In addition, clients are looking to solution sell rather than just sell individual products and services.

Finally, many of our clients have been in business a long time and doing business on a technology and operational platform that isn't scalable. We can help them with that.

**Daron Pearce:** And on top of that, to deliver the excess returns that managers are striving for, they're looking to enter into new asset classes in new jurisdictions, and again, their technology and their infrastructure simply doesn't facilitate that.

So, investment managers really focus on three things: delivering investment performance for their clients, distributing their products and services, and managing their business as effectively as they can.



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**Erik Beck:** Clients benefit because we understand their opportunities and challenges. After all, we're one of the largest investment servicers in the world, but we're also one of the largest investment managers. This will not only help drive our clients' success, but our success as well, which is what we've built our business model on.

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