

## **Credit Suisse in alliance with consultancy firm**

By Greg Farrell

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Credit Suisse is scheduled to announce a strategic alliance Wednesday with privately held Gerson Lehrman Group, a consulting firm that boasts a network of 200,000 experts from various industries.

The arrangement - a first for a large equity research group, according to both parties - will allow Credit Suisse's analysts to tap into Gerson's "councils" of industry experts when preparing reports for buy-side clients.

For Gerson, the alliance adds 300 analysts to its stable of experts and has the potential to give the firm access to the bank's global client base. "One of the huge demands of the past six to seven years has been for more in-depth, more investigative research," said Stephano Natella, Credit Suisse's head of global equity research.

"Clients that use us will have access to a better research product.

"Clients want better research from the sell side and better tools to do their own research," said Alexander Saint-Amand, chief executive of Gerson Lehrman.

Unlike a traditional consulting firm, which employs a full-time staff of practitioners and seeks out long-term retainers from corporate clients, Gerson offers subscribing clients access to a network of experts who work across multiple industries. The firm reported \$232m in revenues for 2007 and expects to grow by 25 per cent this year.

The alliance officially launches today but both sides have been working on the relationship for eight months, said Mr Saint-Amand.

The biggest potential growth market for Gerson will be Latin America, he said, where Credit Suisse has a strong presence, while Gerson's presence is minimal.

Mr Natella said that he expected the union to reap immediate benefits for the bank's analysts.

"If you're able to tap into a network of 200,000 experts, your ability to do proprietary research increases exponentially," he said.

Under the current structure, a Credit Suisse analyst who wanted to work with an industry expert, such as a doctor, might have to spend up to six months cultivating the relationship.

"How do I call a doctor that does not know me?" Mr Natella said. "This will make that process a lot more efficient."

According to Institutional Investor, Credit Suisse is the second largest firm in equity research.

"This alliance with Gerson Lehrman Group demonstrates our ongoing commitment to investing in research and expanding our offering, to answer the growing client demand for insightful proprietary and investigative research," said Mr Natella.

Credit Suisse analysts currently publish reports on 2,900 companies worldwide.

"Our goal is to build the world's leading marketplace for industry expertise," said Mr Saint-Amand.

"Establishing an alliance with a leading institution like Credit Suisse creates a great opportunity for the experts in our network."

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