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Private Market Talks:

Scaling and Innovating in Secondaries with Dawson Partners' Yann Robard

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What's next for secondary markets? In this episode of *Private Market Talks*, Dawson Partners' Yann Robard joins us to unpack the evolving secondary market and untapped potential for increased capitalization. From structured solutions to the rise of NAV lending, Yann explains Dawson's innovative approach to secondaries transactions. He also shares his outlook on private equity performance, lessons learned from building Dawson, and advice for the next generation of investors.

Howard Beber: Welcome back to Private Market Talks, a Proskauer podcast where we dive deep into the world of private markets and talk with the people shaping the future of alternative investments. I'm your host, Howard Beber. Today, our guest is Yann Robard, Managing Partner at Dawson Partners, a firm that has quickly built a reputation as one of the most innovative players in the secondary space. Dawson Partners is a leading global alternative asset manager focused on providing innovative, structured solutions to the growing and evolving secondaries market.

Dawson was founded in 2015 and has been at the forefront of some of the most unique structured secondary solutions, both in the LP-led traditional secondaries market and in the growing GP-led solutions market. Since its founding, Dawson Partners has carved out a role as a specialist advisor and investor, leaning into innovation at a time when the secondaries market is evolving faster than ever, and at the center of that is Yann Robard. With a career that spans decades in private equity, he brings a unique perspective on how to build an investment firm, how the secondaries market has changed, where it's going, and what opportunities and challenges lie ahead for investors and managers alike.

As with all our episodes, you can get a full transcript of the episode and other helpful information at privatemarkettalks.com. And if you enjoyed the episode, drop us a note. We would love to hear from you.

And now, my conversation with Yann Robard. Yann, welcome to Private Market Talks. It's great to have you on the show.

Yann Robard: Howard, how are you doing?

Howard Beber: All good. All good. It's great to see you again. It's been a while.

Yann Robard: I'm very excited for this.

Howard Beber: Let's dive right into the secondaries market, the private equity market in general, and Dawson specifically. But before we do, for those in the audience that don't know, why don't we start with just a little bit of a background on you and your career path and how you wound up where you are right now?

Yann Robard: First of all, thank you so much for having me on the podcast. Very excited. Nice to see you again, Howard, and thanks for the listeners to listen in to this podcast. We're going to try and make it fun and entertaining. So, I would say that I started my private equity career, like everyone, with a Mexican furniture store based in Toronto. Joking aside, it was a unique way of starting a private equity career, but I always had entrepreneurial blood flowing through my veins. I actually said no to an investment banking offer at that point in time. People thought I was a bit crazy. I leaned into this Mexican furniture store. It was the best thing I ever did. It taught me how to make decisions at an early age, how to take an idea in your head and make it happen. And I did that for about two or three years until it became obvious that that wasn't my trajectory over the long term, and so I went back to Bay Street, which is the Wall Street of Canada. I joined JP Morgan for a hot second in 2001. And then nine months later, the Canada Pension Plan Investment Board called, and it was December 2001. They were just starting to invest in private equity. They had a big vision in terms of what they wanted to do. I bought into that vision and decided to leave JP Morgan to join CPPIB. And again, this was one second big decision in my career where people were like, "That sounds a little crazy." I chose to lean into an institution that was going to have a big vision in terms of what they were going to do. And in doing so, I got a bit of a front row seat watching an institution grow from, when I joined, 24 people, to 15 years later, 1,200 people, from 7 billion to 285 billion under management, from a blank piece of paper to 65 billion in private equity. It also allowed me to feed my entrepreneurial spirit because they just told me, "Go build businesses." So, started with the funds business, then I built the secondaries business, helped open up the London office, co-investment business. So, over 15 years, had a great experience of investing through cycles, understanding what it took to grow an organization. Had a lot of different bosses, 11 bosses in 13 years, so I learned a lot about leadership. And then, fast forward to 2015, I turned 40 and my mind was spinning. That's when the idea of Dawson came to mind.

Howard Beber: That is great. Thanks. Why don't we talk a little bit about Dawson? You had a very interesting career at CPPIB. You saw it go from a very small organization, helped lead it to a larger organization, helped lead its expansion. By all accounts, were doing great. And I guess, at 40 years old, you decided you got the entrepreneurial itch, and you wanted to start something on your own. So, why don't you tell us a little bit about the inspiration for Dawson, and then we'll get a little bit into the last 10 years?

Yann Robard: The inspiration for Dawson is simple. It's an infamous bike ride between Yukon and Alaska. I was turning 40, I had spent 15 years at CPPIB. I wouldn't be here without those 15 years. It has a special place in my heart, that organization. And also, after 15 years, I was having the itch for change. So, on this infamous bike ride, I was asking myself, "What did I want to do when I grew up?" I was turning 40 at that point in time, and the idea of Dawson came on this bike ride. I had a lot of time to think on a bicycle. And really, the concept was, "Are there new tools in the tool set available to inject liquidity for private equity investors while allowing them to retain the upside and the flexibility?" After nearly a decade of operating in the secondary market, I just thought there was time for new innovations in that market. And I thought that the beginnings of Dawson should be all around providing innovative tools and new toolkits to folks out there that allows them to tactically reallocate their private equity portfolios.

So, if you fast forward to 10 years later, that's exactly the premise of everything that we do here at Dawson is customized, bespoke, innovative. I appreciated all the kind words at the introduction of just being a market leader, of thinking outside the box, and then really listening to what investors need in terms of their liquidity requirements, and then creating a win-win-win to enable that to happen. That's our secret sauce.

Howard Beber: It's an incredibly interesting time in the market, which we'll get into. And you guys have carved out, obviously, a great niche in that market. I know how proud you are of the decade at Dawson. You want to tell us a little bit about how the firm has grown, what you learned in that growth trajectory, things you might have done differently?

Yann Robard: Let's start with how Dawson came to be over the last decade. And I always like to think about the history in chapters or in pillars. So really, there has been three chapters in Dawson so far. Now, the analogy I use is, like, almost like building a house. If you're going to go build a house, you have to have good permits, strong foundation, great plumbing, and then the house gets built pretty quickly.

And if you think about the decade of Dawson, really 2016 to ‘18 was permitting. It was market adoption. We did 1,200 meetings in the first 24 months at Dawson to evangelize what we were doing, to get a buzz around these new innovative structures. And then from ‘19 to ‘21, it was the years where we built the foundation. By foundation, we mean we built the team. We went from 40 to about 120 people during that period of time. It was a period of growth, making sure that we had the right individuals in place in order for us to predict rather than react to the opportunity set that we were helping to create. And then from ‘22 to ‘24, it was plumbing. It was the people, the process, the technology, all of the things that make sure that the train arrives on time, so that as we scaled, we could scale successfully, and that we could enable our growth in a way that allowed us to ensure that we could continue to come through for our investors. And so, when you have good permitting, foundation, plumbing, guess what? The house gets built pretty quickly.

And so, we are 10 years into our journey here at Dawson. We’re closing in on $25 billion of assets under management. And guess what? The house hasn’t even been built yet. We’re just getting started, and that’s what we’re excited about. We’ll talk about the market here in a bit, but there are tailwinds upon tailwinds upon tailwinds in our market, in our opportunity set, in our business, that allows us to look forward at Dawson and be very excited about what’s on the come here in our organization.

Howard Beber: So, I’m curious, when you had those 1,200 meetings, what percentage of the people that you met with looked at you and said, “I have no idea what you’re doing or talking about,” since what you were doing was kind of new?

Yann Robard: A lot. I don’t know if I have a specific percentage, but I think there’s a lot of time where people would walk out of a meeting and be, “I didn’t quite get what he was talking about, but he’s really passionate about whatever he’s talking about.” I think that was the element of the beginnings of this as you educate it. It might take two or three times to talk to somebody until they put the pieces of the puzzles together, and maybe I got a little bit better at how to succinctly explain what it is that we were doing. But there is no doubt that there was a lot of glass-eyed folks looking at me in my first explanation. That’s okay. It was part of the learning. How do you deliver and explain what it is that we’re doing so people understand? How do you do it succinctly, and how do you make it and ensure that everybody understands the different building blocks of how you can create a win-win-win?

Howard Beber: So, you've built the foundation and you've got the permits and who knows where you are in terms of percentage of the journey here, but you guys started in Canada, now you're in Europe, you're in the U.S. What's next? What gets built on the house next?

Yann Robard: Yeah, and it's interesting. So, I talked about chapters and pillars. Let's talk about it in a different way and how Dawson has gotten to where it's at today. So, let's call it, let's now talk about three chapters.

So, the first chapter was actually 2016 to 2020, where as a firm, we were really focused on innovating in terms of how we deploy capital. A lot of the innovation in terms of the structures, LP financing, GP financings, aggregating transactions, and then tranching them — all of that innovation mostly happened between 2016 and 2020. And by the end of 2020, what we found ourselves is long opportunity, short capital. And we had innovated so much that our solutions were being so well adopted and so well embraced by the market that we didn't have enough capital to deal with the amount of deal flow that we were seeing. And, by the way, that is still the case today.

In 2021, we started really focusing on diversifying how we distributed our products. So first five years, '16 to '20, was how do we deploy and innovate around that. Second chapter was how do we diversify our distribution platform? So initially, we were institutional raises, mostly focused on North America. We then started to expand into Europe, the Middle East and Asia, but we also started adding structured products and private wealth onto our platform so that we had different ways in which we could capitalize our business and different ways that we could scale our business at the end of the day. We're going to talk about it probably later on because one of my big themes is that scale matters in this market. And so, for us to be able to continue to scale but also have the capital to deal with the market opportunities and the transactions we were originating, we really focused on that.

The third chapter is what we're probably starting. Remember, every chapter is five years here. So, we're entering our decade, our second decade, our first five years of this next decade. And I think really the theme is around product expansion. I think we've been focusing a lot about thinking about, are there different products that provide different risk returns to potential investors, no better, no worse, but what does your portfolio need? And can we use private equity as a collateral base and then essentially generate new products in the product suite that tranches it in a way that allows people to have different risk returns for their portfolios? You may want something that is higher risk, higher return, something that is lower risk, lower return, you know, no better, no worse, but every portfolio needs different elements. And that's really what we're spending a lot of time on right now — is our product suite, our product offering, and whether we can expand that to touch on various needs that our investors have at different pockets of their portfolios. A long way of saying: product offering, product expansion.

Howard Beber: It sounds like you're at least thinking about some CLO or CFO type opportunities.

Yann Robard: In the structured products, we certainly have done a few of those, and we're pretty excited about that market. We do think that it is a market that is just in its first innings. But it goes back to, and I'll touch on the scale matters points, because I think this is really important to us. We see scale as an enabler. Like, we just see scale as a differentiator in this market. When you think about the secondary market and your ability to show up and provide a liquidity option of two billion, one to two billion dollars, as an example, there's not a lot of players in the market that can show up with execution certainty, with a check of that size. So, we have, since the very beginnings of Dawson, always focused on big is beautiful, growth is good and scale matters, and seeing scale as an enabler to a business, not a disruptor to a business.

And for scale as an enabler, it really comes down to three reasons why we're pursuing scale. First is differentiation in the market. As I just said, there's not a lot of people that can show up with a one-to-two-billion-dollar check and do a single transaction and be able to get it done in a quick succession and provide that execution certainty. And in volatile markets, some investors really want to capture that execution certainty. We can provide that, right?

Two, though, as you're building a business, it's really interesting the types of people that you can recruit into your business. If you are a business that is not growing, there are a lot of glass ceilings in that business, and it can become complacent, or you may lose top talent along the way because there's no room for them to grow. If you were to see me in person, what you would see is a rapidly expanding pyramid, which is in a growing business, there's no glass ceiling. You get to choose, and I saw it at CPPIB, like, "Oh, there's an interesting opportunity over there. I'm going to go spend some time over there." And so, the types of people that you can recruit into the organization, attract, develop and then retain because you're giving them intellectual compensation, you're giving them growth opportunities within our shop. There are so many opportunities for them to pursue. What do you want to do? World's your oyster in a growing organization. And that's exactly the types of people that we're looking to recruit into, which means that they tend to be intellectually curious, hungry but humble, in it together, really entrepreneurial, innovative, nimble. That's what we get excited about. That's the type of talent that we're looking to bring into our shop.

And then the last ingredient in this, and maybe we'll talk about this later on, is just giving back. Like, one percent of our revenues goes back to charity. That's something that's near and dear to my heart, to our hearts. And as you grow as an organization, guess what? Scale matters. And the more you grow, the more you're going to be able to give back to communities, whether it's local, national or international, and that's something that we really focus on. So, it's investor first, in terms of differentiating ourselves in the market and enabling us to capture some attractive opportunities. It's enabling the successful scaling of our organization by having the right people in place to allow that to happen. And then it's about having an impact locally, nationally and globally.

Howard Beber: Maybe one last question on Dawson specifically, and then we can get into a little bit of market and outlook. I know you've cared deeply about culture in your organization, as do I. I also know as you grow an organization, keeping the culture is challenging. What's your secret sauce for keeping the culture as you grow the way you have grown in scale, keeping the culture the way you envision it?

Yann Robard: We could spend just an hour on this topic alone. This is my favorite subject, the culture of the organization.

Howard Beber: Cliff Notes.

Yann Robard: Cliff Notes, okay. I'm a talker, so you're going to have to cut me off. But here it goes. So, look, I think first and foremost, it's critical to what we do. Culture is everything at our shop. And I used some of the words that we talked about just recently, hungry but humble, in it together, stronger together. When you give, you get. When you do good, good things happen, that it's not just what you do, it's how you do it that gives us great pride. And it's so simple for me. Like, culturally, you want to be a good person and win. That's something that I learned at CPPIB, and it's not just because you want to look at yourself in the mirror and be proud of not just the what, but the how, but it's also, it's good for business. If you treat people with respect, guess what? People want to work with you again. You get repeat business. You get repeat counterparties. Like, it's just so obvious to us. So, the trick is to maintain that culture as you scale. And to your point, some people would say that that is a difficult thing to happen. We have not found that. I actually think that we were probably more at risk when we were 20 people than when we're closing on 250, because at 20 people, if one person goes into their shop with a different culture, it has a potential to have a bigger impact than when you're at 250. And basically, the engine just absorbs it, and it's organ rejected. The person is not culturally consistent, right? And so, the trick with culture is that you just need to nurture it. You need to maintain it. And so, you need to find ways to be able to do that. We do it with a lot of different ways. We have two firm-wide off-sites a year. We're about to have one, ours here in a couple days. We have leadership training where we put our people into two-to-four-day measures. But the biggest way that we maintain our culture is that it's in our performance reviews. And I always talk about the, it's not just the "what," it's the "how you do it" that will make you successful at Dawson. So, the "what" — we score people out of five. The "what" is one, two, three. The "how" is zero, one, two. You can be not good, good, or great at what you do. That's the "what." And the "how" is a culturally inconsistent, culturally consistent, or culture carrier. One, two, three on the "what," zero, one, two on the "how." Essentially, you can do the math. You need to get a four and above to be able to continue. And math makes it easy, because actually, as we go through calibration, it is very obvious and very quick when you do calibration meetings, the consistency of how culturally consistent an individual is. And if you put that as a metric, then you make decisions around folks, and you make them self-aware along the way that, "Hey, you know what, the way that you act is either a little bit culturally inconsistent. You need to change that." No better, no worse. Like, different people will operate in a different way, but this is our culture, and this is what we would expect of

you. And if it doesn't work, then that's okay. Hopefully, that provides it, because I think it's so important that you measure culture in order for it to maintain it.

Howard Beber: That's a good point. If you can't measure something, it's hard to determine if you're successful in it or not. That's interesting.

Yann Robard: It's actually interesting. We use "what gets measured gets done" at Dawson.

Howard Beber: Totally. Very anecdotally, what you mentioned earlier, I never really thought about having culture in a smaller firm is it might even be more important. And it reminded me of a story my father used to tell me about how one guy was able to break up an entire softball team. I think that's exactly right.

Yann Robard: Yeah, it is — and so, look, there's different opportunities and challenges along the life cycle of an organization, but culture is just as much at risk in a smaller one than in a large one.

Howard Beber: I think a part of our audience is probably looking for some insights on the private equity market and certainly on the secondaries market. So, why don't we shift over a little bit? Let's talk a little bit about the private equity market in general, and then we'll zoom in to the secondaries side. It's not a big secret. It's been a tough few years from a liquidity perspective. Coming from somebody who provides liquidity in the market, I'm interested in hearing your views about a recovery in general in the private equity market, short-term, long-term views. Maybe you can enlighten our audience on your and Dawson's views on that.

Yann Robard: Sure. So, I'm going to put first and foremost, we are champions of private equity. We are believers in private equity, and we do believe that private equity over the medium and long term has and will continue to generate outperformance to public markets. So, I'll put my biases out there. But we do spend a lot of time doing analysis to create our views and thoughts as to why that has happened in the past, where are we today and where we think private equity can go from here.

So, let’s go through each one of those. Where we’ve been in the past, it is obvious to us that private equity has outperformed public markets. If you put a dollar into the Russell 3000 back in January 1st, 2000, and a dollar into private equity, 25 years later, you would have done 6.6 times your money in Russell 3000. Not bad. 19.9 times in private equity. Three times more wealth generated in private equity than in public markets. Some people say, “Yeah, but it was a point in time. You got to look at it over 25 years.” So, we looked at five, 10, 15, 20, 25-year returns, private equity versus public. It has consistently been outperforming. And then people are like, “Yeah, but you got a tinier entry of private equity, right?” We looked at the last 100 quarters. In 97 of the last 100 quarters, you would have outperformed going into private equity versus public markets. And, by the way, in those three quarters where you hadn’t, the next quarter later, you would have. So, for us, it’s clear. So, then, the question is, and yet, the last two to three years haven’t been pretty. It’s been a long, cold winter. And as Canadians, we know long, cold winters here at Dawson. But look, private equity has generated a third of the returns that it has historically done. So, on a historical basis, buyouts have generated about 14%. Net over the last two to three years has been less than five, and liquidity has been hard to come by. Average over the last 25 years is if you had $100 in private equity, net asset value would have gotten 26% of it back. In the last two to three years, it’s only been 15%. So, there’s no doubt that private equity has gone through a moment. And it’s actually interesting because it’s mostly in those moments where asset classes go through a moment, a cycle, that people start questioning what the long-term capacity of that asset class to continue to outperform. But for us, it’s clear, all the ingredients are there for private equity to continue to outperform. And, actually, it could be entering an interesting inflection point.

So, let’s go through those two — the interesting inflection point. What we have witnessed is that over the last two to three years, public markets have ramped up quite significantly, and there is no doubt around that, but as you look at essentially what has driven that outperformance, it has been multiple-driven, not earnings-driven. So, as an example, the public markets have gone from 12.1 times to 16.2 times LTM EBITDA multiples. That’s what’s driven the public markets. Meanwhile, private equity has gone from 11.8 times in ‘22 to 12.3 times today on average health. So, think about the delta right now. The delta between private equity and public markets is 12.3 times LTM EBITDA for private equity, 16.2 times in public markets. There is a vast discount. That would suggest that private equity is being undervalued, not overvalued, right? Now, what generally happens is that private equity, when it exits a company, tends to exit a company — our analysis over the last 15 years suggests — at a 28% pop increase to value than two quarters prior. So, what’s happened over the last couple of years is that, essentially, private equity, as liquidity has been lower, there has been less exits, and with less exits, less ability to crystallize that pop.

As we enter 2025 and ‘26 and all signs are pointing towards liquidity returning to private equity – there’s tailwinds, we’ll see if it executes – but if and when that liquidity comes back, that is when private equity starts crystallizing those pops. And that’s when private equity can generate outsized returns. And that’s when private equity can come back to more normalized returns. So, I don’t know if the audience was able to go through that whole mental math exercise, but what we’ve done is that we’ve looked at historical cycles — dot com era, the global financial crisis — and what we’ve seen is after a period of underperformance in private equity is a period of outperformance of private equity relative to public markets. And we see that private equity is well-positioned for that, for history to repeat itself. It is valued lower than public markets. It actually has generated better EBITDA growth over the last two years. So, despite being held at lower multiples private equity has generated 11% EBITDA growth versus public markets at eight percent. And as liquidity returns, those pops can come back. And that’s when we think private equity can generate outperformance. Did you follow all that?

Howard Beber: I did, yes, but are your, are your studies based on private equity just as a general term, including growth and venture?

Yann Robard: No, we’re talking about buyout here.

Howard Beber: And I guess another question I have for you on that — it's probably too soon to know the answer to this — but I do wonder what the GP-led market and the internally derived liquidity would do to your studies, if that pop would change. I think it would. It just depends on how significantly, I think.

Yann Robard: Yeah. So, to put this into context, though, I think there's a lot being discussed around the GP-led market. It has obviously grown exponentially over the last few years, but it still only represents about five to 15% of all exits in private equity. So, while it may have an impact, because it tends to be done at less pops, it will be – on a relative basis to all exit — it won't change the analysis that greatly. Our analysis suggests that — it's really interesting — since 2010, the pops at exits have been pretty consistent between 25 to 35%. People are like, "Yeah, you say the 28% historical average, but there must be big years." And no, it's actually pretty consistent between 25 to 35%.

Howard Beber: Yeah. Yeah, that makes sense. All right, so let's go — probably, our audience is saying, "When are you going to start talking about the secondaries market?" So, we'll start talking about it. As you know, our Firm's been involved in the secondaries market for a very long time. I've been doing this on the legal side since 1997. So, I've heard you describe the market in your three different pillars. Pre-2001, no one talked about it because if you were selling an interest in a private equity fund, at least the theory was you didn't have money, and you were liquidity constrained, and nobody wanted to talk about that. So you went and talked to one of the five buyers that was out there, and you did a very quiet sale. By the way, we ran our numbers all the way back to pre-1990. In 1990, the market was about 100 million. And then, we went back into the mid-80s, where you get down to pretty much one or two transactions a year. So, it's pretty fascinating to see what this market's done. But then, you get into what you were talking about, post-2001 to 2011, and that's — you call it institutionalization. I guess I call it portfolio construction — that was the buzzword. Everybody was in the secondaries market, and they were doing it. People started talking about it now, and it was, it was about portfolio construction or rebalancing. If you weren't going to support a manager going forward, maybe you sold some of the older funds, or if your private equity portfolio was out of whack in terms of your public market, for good or bad reasons, maybe you rebalanced it by selling. And it became a fairly normal thing to do in a market that was just beginning but also growing.

And then we get to 2011 or ‘12, up to where we are now, and the market’s gone, everyone knows these numbers, 25 billion, like 160 billion last year. And that’s all about innovation. The deals started changing, right? First, I think initially we started seeing leverage put on these deals, which was really interesting. And then, with using NAV facilities. And then, of course, the whole GP market, GP-led market took off with continuation funds and preferred equity and tender offers. And all of a sudden, what used to be a fairly quiet market and buyers and sellers selling interest in private equity funds became a huge market. And I know your views. It’d be good to share them for the future. I don’t think there’s anybody out there that I’ve ever talked to that thinks this market is not growing. The real question is how much is it growing? So, I’ll shut up now, and I’ll leave that for you.

Yann Robard: Oh, I think it’s great. I think that’s a great summary. I would split the last chapter into two; 2011 to ‘21 was a decade of innovation. You mentioned a lot of that, but also put private credit, private real estate infrastructure into that. And so, what happened by the end of ’21 was that this market was long opportunity, short capital. And we’ve entered in ’21, the decade of capitalization. And what we’re seeing is some of the largest funds globally are being raised in the secondary market. You got a big push in private wealth. You’ve got structured products out there. And so, secondaries are benefiting essentially from new channels of distribution that allow them to capitalize on what I believe to be a vastly undercapitalized market. If I hear one more headline about largest fundraising year ever for secondary, it kills my soul, because the missing context in that headline is how much was deployed. Since 2021, over $600 billion got deployed; over 400 billion got raised, right? Even in the first half of 2025, there was 100 billion deployed, $80 billion raised. There is more capital deployed than raised. It is a market that is undercapitalized.

So, we're entering — and people are always talking about — like, "Well, what private wealth will do to secondaries." In my mind, all it's doing is capitalizing an undercapitalized market and allowing it to grow to its size. I made a prediction that's been, I think, at times received with skepticism. Let's put it that way — of a trillion dollars by 2030. I still have and maintain conviction around that number. By the way, in 2012, I said over the next three years that the market could go on 250 billion from '13 to '18. Cumulatively, it was 251. 2019., I said that the market could be 200, 250 billion by 2025. Both of those predictions met with skepticism. Guess what? This year, we're going to achieve more than 200 billion, right? So, let's see what happens.

I think, for me, the trillion dollars is about how you define a secondary, you know? It's the definition of it because NAV lending to secondaries itself could be like 175, 200 billion market. That's what I'm hearing out there — LP secondaries, GP-leds, the rise of private credit, the rise of infrastructure, the rise of real estate, the rise of preferred. And also, put GP stakes in there because I do think GP stakes and the secondary market lines are starting to blur. So, if you start, like — it's the definition of secondary that really — and if we really put everything which is injecting liquidity in an otherwise illiquid asset class — can this market get to a trillion? I think absolutely. So, what was the question? Because I don't think I answered it.

Howard Beber: I think the thing you didn't add to your laundry list of growth opportunities and products was the CFO market that we talked about earlier. But I—

Yann Robard: Yeah, that's a good point.

Howard Beber: Yeah, I agree with you. So, all right, so now let's get into your secret sauce a little bit. We talked a little bit, obviously, about what you do, but it would be really good to talk about Dawson's niche in the market, the kind of deals that you do, what your sweet spot is, what you're looking for to help the audience. I think after 10 years, probably most of those people that didn't understand what you did probably understand now, but just in case—

Yann Robard: Getting closer. I think for us, it really starts with the premise of can you inject liquidity in an otherwise illiquid asset class? And I think that has been the premise of Dawson since the very beginning. And then it's just about trying to find customized bespoke ways of enabling that, whether that's with LPs or with GPs. And then, it starts with that theory. And then, really where the thinking cap has been going on is what are the different use cases at the end of the day?

But, our whole theory was we weren't here to replace an outright secondary scale. We weren't here to replace NAV lending. We were here to provide another tool in the tool set to provide essentially more options for private equity investors as they think about their private equity portfolios to tactically reallocate their private equity portfolios. It is mind-boggling to me that really the market and private equity for institutions have been a commit and hold. Think about if you were to build a portfolio in public markets and do nothing with it for 10 years. People would say that's fiduciarily irresponsible. That's what's been happening in private equity. So, all of these new tools and the tool set for the secondaries market that we're helping to enable through Dawson is about just finding new tools for people to think about their private equity portfolios in a thoughtful way, in good times and bad. People really think about, "Oh, the secondaries market is there when there's downside volatility." I don't think that's true. Look at 2021. 2021 was the second largest, about to be the third largest, ever secondary market in volumes, right? And that is during a period of time where liquidity was high. So, when 2021 happened, private equity investors got overallocated for the right reasons. Their portfolio did too well. They were overallocated because they were a victim of their own success, and yet, they needed to tactically reallocate. We've gone through a period where the inverse has been true. So, this is an all-weather strategy from my perspective.

So, our concept is, can we allow a private equity investor, LP or GP, to generate liquidity on their private equity portfolios while holding the upside and having a bit more flexibility? Can we do so in a structure that allows, let's call the LP, that wants to generate liquidity to do so without crystallizing a loss, without foregoing future proceeds, without timing the market and while benefiting from the upside? Are there situations where private equity investors are saying, "Hey, I'm overallocated, but this is a good time to do co-investments? And so maybe I can generate liquidity on my fund portfolio, release that at a rate of return that is lower than what I can reinvest that into co-investments." But if you were to sell your portfolio, then you would lose your relationship with your GPs. Here, you're enabling structured solutions that allow you to maintain that relationship, be able to generate that liquidity, be able to tactically reallocate, be able to arbitrage the cost of capital of this instrument versus co-investments.

So, I can go at example after example, example of just thinking about the ecosystem of private equity and why people would want to generate liquidity in this way. There are different reasons. There are different objectives in every institution. And our job is to go to an institution and just listen to what they want to try to achieve and then create something that's bespoke that allows them to get there.

Howard Beber: Got it. That makes sense for sure. It is, again, as I said at the beginning, a very interesting strategy that probably existed, I guess, to some extent before you but certainly not talked about that much.

Yann Robard: Yeah, and look, it did. I mean, I think that the reality at the end of the day is that there was an opportunity that was so much bigger than what the volumes were before our arrival, but what we saw was this immense opportunity to really take this market to the next level. And I think that we've executed on that theory.

Howard Beber: Yep. All right. So, I think we're winding up here. Thank you for that perspective. Let's get into some of my favorite questions for the end here. I like to always ask, what's your advice for the next generation of professionals coming up in our space here? It's kind of funny. When I started, you knew almost everybody. It was a pretty small community, and that's obviously not the case anymore. What would you tell the —other than start a furniture store in Mexico and go from there —what would you tell a young professional who's looking to get into the space?

Yann Robard: I want to be clear, the Mexican furniture store was based in Toronto, so—

Howard Beber: This story gets better by the minute.

Yann Robard: So, look, I mean, I always — there's so many things that I spend a lot of time in introspection, maybe a bit too much time in introspection at times. But I think some of the big things I would tell folks coming into this market is, one, embrace change. I think it took me a little bit of time in my early days in my career to understand that embracing change is so much more constructive than resisting it. Change will happen. I call it the change train at Dawson. It barrels through our firm every day. You've got three options. You can get in front of it. It's going to hurt. You can watch it go by. That's a missed opportunity. Or you can get on the change train at the end of the day. And so, I think once I learned that lesson, to see the positive in change — and look, change is uncertain. It feels unsafe. Humans don't like change because it pushes you out of your comfort zone. But if you can see the positive in change, there's so much opportunity in that change. So, get on the change train.

I think the second thing I would say is, be a problem solver, not a problem finder. It is so easy to find the problems. It is harder to find the solutions. I think that what we are proudest of at Dawson is how we've adapted and pivoted along the way. When we did those 1,200 meetings in twenty four months, we were getting a lot of feedback from the market, at the end of the day, that maybe we were a full step ahead of the market. And you can't be a full step ahead of the market. You need to be a half a step ahead of the market. And you need your evolution to be evolutionary, not revolutionary. So, if you're somebody that's like banging your head against a wall and you just like, you're trying to break through that wall, step back for a second, and you'll probably notice that there's a door right beside the wall that you're hitting. Walk through the door. Don't try and walk through the wall at the end of the day.

The other thing I would say is, be a good person and win. I do really believe that you can. And I think what I've learned at CPPIB, and I really, I'm so grateful for the experiences that I had here. But when I say it's not just what you do, it's how you do it, like I want to be able to look myself in the mirror and be proud of how we've gone about doing it. Look, I'm a human being. I will make mistakes. There's no doubt about it. But my heart and my intentions are good. And I think that, or so I like to believe, but I think that it's really, really important that you focus on that because when you're a good person and when people want to deal with you, and so it's actually good for business because people — you can have repeat counterparties, people want to call you up. They don't have to; they want to.

And so that's my thing. It's actually become circular, like, you're a good person, you win, you create partnerships, people want to work with you. So, as young folks coming into this industry, just remind yourself, like, take care of all stakeholders along the way. There is a way — certainly in these continuation vehicles, right process, right structure, right mindset — there's a way for everybody to win at the end of the day. And like, did everybody get everything right along the way? No, it's an industry that is learning, and there were mistakes made along the way. But generally speaking, we need to get that industry to continue to move in the right direction around enabling a win for all, because that's how markets grow — is when everybody's taken care of along the way. Markets collapse when somebody has not been taken care of. So, let's talk about this industry in a positive way.

Howard Beber: That goes into my next question. What worries you? What are you worried about? You've got a full head of hair, so you clearly don't worry as much as I do.

Yann Robard: No, I've got rabbit holes. I've got some hamsters in my head from time to time. I think for me personally, I think what I worry about is just like sequencing the innovation, making sure that we're predicting complexity at our organization rather than reacting to it. And there is so much to do out there, but if you try and take on too much too quickly, you spread yourself too thinly. So, it goes back to building the house. We have been very thoughtful. We have been very disciplined. We have been very strategic in our measured growth and how we scale the organization to make sure that we weren't ahead of ourselves, that we created the right permit, the right foundation, the right plumbing, the right people, the right process, the right technology in order for us to lean into a market and to be able to scale successfully.

If you go too early, if you go too fast, if you're not thoughtful enough, you're not strategic enough, you're not going to get that measured growth. And I give a lot of credit to my mentor, David Dennison, the ex-CEO of CPPIB, that really taught me and continues — we talk, on a monthly basis, if not every two weeks right now — like these are your blind spots. This is what you have to be careful about. This is what you have to be thoughtful about. And so, know what you know, and know what you don't know. And stay grounded, stay grateful. I pinch myself every day. This is way beyond my wildest expectation. I don't know how we got here. And yet we, like the secret sauce I'll tell you, I don't know what I'm doing. I've never done this before, right? So, you've got to be grounded enough to recognize that and just surround yourself with good people.

Howard Beber: You have an uncanny ability to make hard concepts sound easy. I'll tell you that. So right before we close up, I did some research, obviously, before the pod. And one thing that kept coming up with people in the industry that they wanted me to ask; there are rumors in the industry about how you name all your deals at Dawson. And the rumors are that you name them all after rivers, certain rivers, but nobody knows for sure. So, we're going to break this here at Private Market Talks for our audience.

Yann Robard: Breaking news. Breaking news. Rivers, mountains, and lakes in the Canadian Arctic. That's what all of the project names are. Now, as many know that this whole firm was really — the seeds of it were with a bike trip between Yukon and Alaska. Yukon has a special place in my heart. I go there and spend a lot of time in nature. It has been good for my soul. And not just the Yukon, Northwest Territories and Nunavut, but they are right. It is the Canadian Arctic.

Now my team at times are telling me that they're running out of names of lakes, rivers and mountains. I'm suspicious about that. So, if people like do Google some of the rivers, you might see some of them going into northern BC or Alberta. This is a very Canadian topic, by the way. You know, I'm pushing back on that. But yes, there might be some Canadian rivers, mountains and lakes rather than Arctic ones. But we're working on that.

Howard Beber: So, it's not strategy drift, it's naming drift a little bit.

Yann Robard: Yeah, maybe we need to do less deals. I don't know. I think there's enough rivers, mountains and lakes. We'll see.

Howard Beber: All right. Yann, thank you for doing this. Thanks for joining us. This has really been a terrific conversation. It's an exciting time in the secondaries market. Congratulations to you and the team for a decade at Dawson. Any final thoughts or takeaways you want to leave with our audience?

Yann Robard: I am just so excited about what's to come. We are really proud of what we've done here in our first decade at Dawson. And yet, the second decade is even more exciting. We've got tailwinds upon tailwinds. The secondary market is just getting started. And Dawson is going to benefit from that, and we want to continue to grow in this fast and innovative and nimble way. And I certainly appreciate folks like you, Howard, that have been in this market since 1997. That's a long time, by the way. But that has created that foundation of a market that can take private equity to the next level if it's done in the right way with the right process, right structure, right mindset. And I think you have been a senior key participant to make sure that we're driving in that right direction. Please, to those coming into this market, let's keep it win-win-win, and let's keep it right process, right structure, right mindset.

Howard Beber: God bless. Thank you for saying that. I appreciate it, and I agree with all of it. I also want to thank our listeners for listening to our episode. And again, if you've enjoyed the episode, drop us a note at privatemarkettalks.com. Keep an eye out for our next episode coming your way next month. Thank you. Thank you, Yann.

Yann Robard: Very grateful. Thank you, Howard.

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