

OTC Markets Advisor Insights Podcast

Lambert IR

Season 2 | Episode 6

OTC Markets Group: From OTC Markets, global headquarters in New York City, you're listening to Advisor Insights, where we feature professionals that will address the issues that affect the small cap companies that trade on the OTC Markets. All right, joining us today is Mike Houston, managing director and partner at Lambert, an investor relations firm and member of our premium provider directory. Mike also holds a title of chief operating officer at TiiCKER, a platform, which we will get into a little later on in our conversation. So to get started, Mike, can you give us a bit of background about yourself, Lambert IR, and the services that you provide there?

Mike Houston: Yeah. Thanks Matt. I appreciate you inviting us to participate in this podcast. Great opportunity so I very much appreciate it. So a little bit about myself. So I've been in investor relations most of my career, a little bit on the corporate finance before dabbling in investor relations, but my background is both on the agency and in-house. So I worked at Lambert for about nine years now through two tours of duty. So the first one was about four years long, then had the chance to take Ancestry.com public. So moved out to Salt Lake, took myself and my family out there. Long story short Ancestry is still yet to go public. So all that to return back to Lambert about five years ago to lead their capital markets practice group so-

OTC Markets Group: So Lambert let you come back for a second time, I guess.

Mike Houston: And let me live in Salt Lake City, so it's been great. I've been doing virtual work at home back before it was even cool around COVID. So it's been phenomenal to kind of see how the advent of video into a lot of these meetings has really helped communicate and just make sure everybody that's virtual feels like they've got a place.

OTC Markets Group: Mike, can you tell us a bit about the clients that you work with? Are they private, emerging or public companies? I know you said you had a background with Ancestry.com, which I guess is still a private company-

Mike Houston: Right.

OTC Markets Group: But I guess generally now with Lambert, what sorts of clients do you work with?

Mike Houston: Yeah, great question. So Lambert's been around for 23 years now, so since 1998, our founder started in his basement of all places. And so his background was with investor relations. He had been an IR professional for a number of years before, but over the last 23 years, we've grown, not just in our IR capabilities, but in public relations, in marketing, branding, crisis communications, reputation management. So all that to say, we work with a number of publicly traded companies and so within the capital markets practice group, that's a big group of companies that we work with. But then we also work with private equity, venture capital funds, really trying to help them position themselves as the acquirer of choice, so may it be a acquirer of talent, portfolio companies, capital, you name it, we're there to help them interact with their investors. But then also too, we work with small private emerging growth companies as well, and help them again, communicate with investors, really frame up what that investor narrative is and what that value proposition is such that ideally investors see that value and can act accordingly.

OTC Markets Group: So when we get investor relations, now, why should a company be so concerned about their

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investor relations and what are some of the best practices in the industry for companies to follow?

Mike Houston: So we've seen over the last 12 to 18 months, not just complexity that can get layered into the market with the pandemic, but then even to the uncertainty and the volatility that comes with that. So we've seen our financial services, our banking clients from community banks to regional banks that are really trying to communicate how they're helping to distribute the PPP loan money, to how they're really trying to be a strong corporate partner within their communities and within their cities to ensure that growth capital gets to the right hands and make sure that a lot of these, even small mom-and-pop businesses are able to continue and thrive during this pandemic instead of just surviving.

Mike Houston: But then we're also seeing the importance of best practices and really solid investor relations communications really come to play even with our manufacturing clients as well, to where there have been a number of supply chain, interruptions, and disruptions to where you really need to be able to understand how this impacts, not just your business we're around this pandemic, but then even too, how this impacts your longer term strategic vision, such that investors really can understand what that value proposition is today, next month and even 10 years from now.

Mike Houston: Ideally you're communicating with that investor that's more long term in nature and you're able to communicate that strategy in a way that resonates with them, such that they're able to kind of weather the storm throughout this pandemic and throughout this uncertainty. So I think that's really where it's critical around those communication strategies to make sure that even in times of uncertainty, that you're communicating that path forward and how you're going to stick to that plan or pivot as necessary. We're really communicating along the way such that people really understand and can align with that vision and that strategy.

OTC Markets Group: So Mike, in my time at OTC Markets and especially on this podcast as well, I've spoken to a number of various investor relations firms. It's always interesting to see everyone's specific strategy that they may have. Does Lambert have a specific strategy when it comes to companies for their short, medium and long term IR strategy?

Mike Houston: We do. And oftentimes it comes back to making sure that you're under promising and over delivering. I mean, that strategy never gets old. And that's a strategy that I think has been in place since the market's really started and people really looking at publicly traded companies. And so our council to each publicly traded company whether it be just 10 million in market cap or 10 billion in market cap, it really is focusing on what are those forecasts that you're seeing internally and how do we translate what you're seeing internally to help people understand what that go forward strategy and those results could look like. I think especially now, as we're seeing a lot of activity around the SPAC vehicle and other kind of vehicles to help companies go public, there are a lot of emerging growth companies out there that really want to leverage that as an opportunity to get access to the public markets.

Mike Houston: And a lot of our council really has been on framing up what those proformas look like, what those projections look like, such that you're really able to put your best foot forward as you take that step into the public markets, but then even too public companies that have been around for decades or centuries, those are the same principle that they need to live by as well, and make sure that they're aligning with that long term strategic vision and making sure

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they're not making promises that they can't deliver on, especially with all the short term focus that we find ourselves in here lately.

OTC Markets Group: Got it. All right. Very interesting. So, Mike, I did mention early on that you do hold a dual role, you are a chief operating officer at TiiCKER as well. I know about it, I've read about it. Can you give our audience a bit of background on TiiCKER and how it came to fruition and what exactly the platform is?

Mike Houston: Yeah, so TiiCKER, high level is a shareholder loyalty platform. And so really how it all came to be was a number of years ago, Jeff Lambert had the idea of how do we engage retail investors? And this was long before the retail investor really took off in the last year and a half, two years but as we were talking that through, it kept coming back to perks. And so if you look at the retail investor space, even today, the vast majority of companies have zero visibility as to who those retail investors are. And a lot of that is just due to the advent of online brokerages and everybody trading in street name. And so those individuals that trade in street name, the companies, 99% of the time have zero visibility as to who those individuals are.

Mike Houston: And so one way to uncover who those individuals are is through offering incentives and so we're partnering with a number of companies today around what those perks or incentives could be such that, one you're rewarding your shareholders for their loyalty, but then two you're giving something in return for some information or for some insight as to who that individual is, such that you can market directly to them. So we launched almost a year ago, so we're creeping up on a year here in the next couple of weeks, and it's been fantastic just to see the explosive growth that we've seen, not just among the retail investors that really want to discover new perks and discover companies that maybe they didn't even know were public before. But then also too, from the public company side.

Mike Houston: It's clear that public companies really need a retail shareholder strategy and TiiCKER is one way for them to really not only engage their retail investors, but know who they are. And TiiCKER provides those opportunities for each side, such that longer term, we really want to build a strong community of retail investors that are interacting with management and gives management an opportunity to really communicate to that audience. And let's be honest, an audience that really has been forgotten from a lot of senior management teams on publicly traded companies.

OTC Markets Group: Mike, I think it's pretty interesting such a big firm such as Lambert is finally recognizing that retail investors and trying to coach your clients, that retail investors are kind of a force to be reckoned with. But I guess going along with that, I kind of talked about it, but how can small and emerging companies benefit from TiiCKER offering perks to investor?

Mike Houston: Yeah. So I think the biggest item is just that visibility and to your prior point there, even as we talk with senior management teams of these publicly traded companies, it's clear that it wasn't so much that they didn't want to communicate with the retail investors, it's just that they didn't know how and didn't have that visibility as to who those individual investors even were. I mean, it's funny because as we talk with even some of the marketing departments of these publicly traded companies, it's probably one of the first and few times that you get investor relations and marketing on the same call and talking about retail investors, but then even to help them discover that maybe on their 10-K it says that they have 30 shareholders

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of record while based on the data that we have and some of the SEC data, oftentimes it's a factor of 10 to a hundred that you're sitting on, instead of maybe a couple hundred thousand of retail investors, it's a couple million retail investors.

Mike Houston: And so it really opens up the eyes of those marketing departments to say, wow, I mean, this is a demographic that one I never really knew existed or spent much time with and two, these numbers are huge. And in a lot of sense of the word, not just with the big brands, but also some of these smaller brands too. And so to be able to engage your retail investors on that level and not just as investors, but then consumers as well. And so I think TiiCKER's really helping close that loop around making sure that loyal shareholders can also be loyal customers, but then making sure that it's a virtuous cycle of sorts.

OTC Markets Group: All right, Mike, thank you very much for joining us. It was great to learn a little bit more about TiiCKER and I am curious to see how much this thing grows even in the next year. You can find Lambert Investor Relations under the investor relations category on our premium provider directory. And Mike, can you clue our listeners in, are there any other ways for companies and/or investors to follow Lambert and TiiCKER?

Mike Houston: There are. So we've got our Instagram, TiiCKER, LinkedIn, so either at Lambert Global or at Lambert or on the TiiCKER side, at TiiCKER. So yeah, we'd love to have you follow us, but then even too, on the TiiCKER side, whether you're a publicly traded company or just an individual investor, love to have you register on TiiCKER, to take some time to really get introduced to all the things that TiiCKER can provide. From an investor standpoint, or even from a publicly traded company standpoint and would love to have a conversation with you around what that strategy looks like. Because like I said, there's a lot of publicly traded companies out there that just either lack that strategy or really don't know where to start. And so I think TiiCKER could be a really good starting point to get them to have that conversation and really flesh out what that strategy could look like.

OTC Markets Group: All right. Great. Well Mike, once again, thank you very much for joining us.

Mike Houston: Yeah. Thank you Matt. I appreciate it.

**This is an autogenerated transcript and may contain typos.*