



Richard Marshall Comments on Alternative Data Growth

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Financial Services partner Richard Marshall was quoted by *Fund Fire* on the proliferation of alternative data providers and its impact on regulatory compliance. Rick noted that it's not unusual for hedge funds to go to extreme measures, such as paying people to stand in retail stores to count foot traffic and sales, in order gain a competitive edge through data. He added that monitoring web activity is infinitely more complicated. "The question is number one: How did you obtain the data? Was it permissible, legal?" he says. Rick recommended that hedge funds manage potential compliance pitfalls by approaching data gathering the same way they approach protocols for expert networks. This includes conducting due diligence on firms, checking their compliance and analyzing how they gather data. ("[Surge in Alt Data Use Raises Insider Trading Concerns](#)," June 6, 2018)

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