

ZepInvest: The Google of Investor Newsletters?

Tuesday, February 03, 2009

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FOXBusiness

Unlike many college students who take a momentary pause in their studies to travel, 22-year-old Michael

Rodov has used his time away from Boston University to create and run ZepInvest, the Web's largest collection of paid investor newsletters.

New York-based ZepInvest, which was launched last month, allows subscribers to browse and search 75 different investment publications for \$50 per month -- a fraction of the cost that each report would cost individually. For example, the Fidelity Sector Investor, which is written by Jim Lowell and focuses on mutual funds, costs \$799 per year.

"We know that the publishing industry is failing. What this does is give them an alternative business model by drastically increasing value for customers," said Rodov, who is on a leave of absence from Boston University. Prior to running ZepInvest, Rodov founded an ecommerce-based subscription business called MagManiac.

Rodov wouldn't say how much his company pays for the content, citing proprietary information that is subject to a pending patent application. "Obviously it's a very rewarding amount and a very fair model otherwise publishers wouldn't be participating," Rodov said. After studying micropayments and

bundling theory, Rodov spent two years developing intellectual property, signing content and bringing in capital for his site, which is backed by angel investors.

ZepInvest has reached content deals with dozens of investor publications, including Morningstar, The Motley Fool, Walter Frank's Money Letter and **Mark Grimaldi's No-Load Navigator newsletter.**

"The more people that see our content the better we are. We just thought it was a great opportunity for us. It's worked well," said Grimaldi, portfolio manager at Navigator Money Management. **Grimaldi's**

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newsletter typically fetches \$99 for an annual subscription.

Rodov wouldn't disclose how many customers ZepInvest has, but he said it has received a "fantastic response" since launching on Jan. 6.

"What publishers are betting on is if we work together we can drastically increase the number of people buying subscriptions," said Rodov.

Grimaldi said his fund's newsletter business saw a 5% jump in revenue last month from a year ago, though he said it's unclear how much of the growth is due to ZepInvest.

"In this economy, that's very good," said **Grimaldi**. "For a newsletter business it's very hard to grow."

It remains to be seen how ZepInvest will fare during a time when millions of Americans have been snake-bitten by a stock market that has lost nearly half of its value in just over a year. It's clear many investors have decided to wait on the sidelines while the economic calamity plays out.

Rodov argues that the diversity of investment opinion offered by ZepInvest can only help investors during these uncertain times.

"It really would have helped people if the service was available sooner," said Rodov. "Nobody is an expert in the entire market but there are experts in every part of the market."

Grimaldi echoed that sentiment, saying: "With everyone reinforcing the golden rule of diversity it makes sense to get advice from as many people as possible. We look at other content and we learn things. It's a fantastic way to get information out there in a non-threatening way."

