

### **3Q22 Digital Asset Talent Market Update**

It's been a while since our last ***Digital Asset Talent Market Update***. We've been too busy to write one, which in our world is good news; but it is bad news that we have the bandwidth to get one out now? Generally, the talent market has slowed and there have been cutbacks at some large firms. While there is still solid activity, we've been afforded some time to breathe again and look at what's been happening in the market.

#### **Talent Supply/Demand:**

Demand for talent in the Digital Asset space has cooled as the "crypto winter" hit harder with 3 Arrows and Celsius being emblematic of excessive risk taking. The year began with a war for talent which pushed up compensation across the board and highlighted an extreme demand for direct experience in the crypto space. During the summer, areas such as business development and cap intro first began to slow down. As summer came to an end, we saw numerous companies make significant cuts across business units.

The best-led companies who went through this culling process took a step back and examined what their business will need to focus on to weather the upcoming crypto winter. This resulted in demand for key senior leaders and select hires critical to near-term success. Thus, we continue to see demand for risk, portfolio construction and quantitative/analytical professionals. Hedge funds and crypto native make up a large portion of that demand, however, the larger traditional asset managers continue their efforts in the space.

Demand for more technical risk professionals remains strong as exposure to derivatives and private assets has increased. Some of these firms have split the quants from the risk managers, perhaps in an effort to obtain appropriate talent. Conversely, the alternative shops continue to seek out "all in one" quantitative talent that understands risk, portfolios and asset classes/markets but that can also communicate complex concepts with clients, PMs and leadership.

Other areas where demand has stayed strong are FP&A, Accounting and Controllers. There continues to be a need from digital assets firms, as well as with PEs and their holdco's.

Legal and compliance needs continue to grow as firms prepare for the potential impact from new regulations in the digital asset space. Further, traditional asset managers, bank and PE have all struggled to retain talent and expand slowly but consistently.

#### **Location:**

New York, London, Miami and Toronto have all become hubs for Digital Assets firms. Expansion of teams based in these metro areas continues with a trend of 3 days in office and 2 days remote.

In particular, **Florida** continues to be a growing hub for fintech with firms either opening offices or moving their businesses there entirely. Notable firms include *Icahn Capital*, *Blackrock*, *Citadel*, *Apollo*, *Elliott* and *Point72*. We've been watching this trend for some time, excited for the potential future need for a Spire Search Partners office to work from during the cold/dark NY winter.

## Compensation:

Through the first half of the year, demand pushed up comp and most firms had to react quickly to try and keep their talent from walking out the door. We were hearing that risk leadership was losing talent to 30% - 50% increases in comp. Talent considering a change often cited leaving for opportunities to build out frameworks/teams, frequently in less-regulated markets with a chance for a big equity pay off in the future. Most recently, compensation has started to tick down a touch as firms are looking to reduce fixed costs and shift to performance-based incentive comp. Also, many of those moving from traditional finance to Digital Assets are looking for equity and are willing to take less cash comp.

## Remote Work:

Post-Covid shifts towards **work flexibility** continue to be a factor in attracting and retaining talent – candidate expectations of some level of flexibility have solidified, with many top-talent attrition attributed to the desire for a better work/life balance (in addition to comp). However, leadership at many firms continues to value the exposure and growth their teams gain from working face-to-face with their colleagues in-office. The alts and top name ibanks expect full time in office; cryptos falling more into the fintech/tech arena are extremely flexible; and many of the large alternatives have found some middle ground by opening “outpost” offices in CO, FLA and CT to provide options outside of the more concentrated metropolitan areas.

Firms who are flexible with WFH or open to remote-only have been able to manage compensation growth by hiring in less expensive markets or finding higher-priced talent that is open to taking a pay cut to WFH and not commute to the office regularly.

## MARKET MOVES: Who, What, Where?

- **Alameda Research** - Co-CEO Sam Trabucco resigned after 3 years at the post. **Caroline Ellison** remains as sole CEO.
- **Anchorage Digital Bank** - CFO Ashwin Prithipaul has resigned. CEO Stephen Ehrlich will take over his duties in the near term. Rachel Anderika was promoted to CRO; she joins from **Silicon Valley Bank** where she was the Head of Risk Governance Oversight.
- **Apollo**- Christine Moy joined as the **Head of Digital Assets**, she spent 18 years at **JP Morgan** where most recently she was **Head of Crypto and Metaverse**.
- **B2C2**- Thomas Restout joined as **CEO of EMEA** from **Morgan Stanley** where he was Global Head of Macro Electronic Trading.
- **Binance.US** - Jasmine Lee joined as **CFO** from **Acorns** where she held **CFO & COO** roles
- **BitGo** - appointed Ali Hayat as **Director of Risk Management**. He joins from **Ernst & Young** where he was a Manager, ITRA, FSO.
- **BitMEX** - appointed Marcus Hughes as **CRO**. He joins from **Coinbase** where he was the Managing Director, Europe and General Counsel, International.
- **Bitnomial** - appointed Steve Ivey as **CRO**; he joins from **Rosenthal Collins Group** where he was also **CRO**.
- **BitOasis** - Rishi Gupta joined as **CFO** from **Amazon** where he held a **Head of Finance** role.
- **Blockdaemon** - Geoffrey Clauss joined as **CRO**, previously he was **Head of Sales** at **Anchorage**
- **BlockFi** - appoints Christopher Spicer as the **Head of Credit Risk and Underwriting**. He joins from **Morgan Stanley** where he led three global teams in Credit Risk Management. **Chris Perez**, formerly

Managing Director of **Goldman Sachs**, joins **BlockFi** as MD Head of Market Risk and Quantitative Analysis. They both report to **BlockFi's CRO Yuri Mushkin** (former ED at Goldman Sachs and CRO of The Beneficient Group).

- **Celsius** - CEO Alex Mashinsky resigned as did Co-Founder Daniel Leon. Chris Ferraro- formerly CFO moves to Interim CEO & Chief Restructuring Officer.
- **ConsenSys** - Phil Davis joined as CFO from pure-play AI firm **Afiniti**, where he also served as CFO.
- **FTX US** - President Brett Harrison has resigned after under 2 years shifting to an advisory role.
- **FTX US Derivatives** Julie Schoening, former **Surveillance System Architect** at **Alphadyne Asset Management**, joins as CRO. John Paul Rothenberg was promoted to Deputy CRO. He joins from the **S. Commodity Futures Trading Commission** where he was a Risk Analyst.
- **Galaxy Digital** appoints Felix Cua as CRO. He joins from **Capstone Investment Advisors** where he served as CRO.
- **Genesis Global Trading** appoints Michael Patchen as CRO, he was formerly the CRO at AQR Investment Management. Mike Moro stepped down as CEO and Derar Islam formerly COO is now Interim CEO.
- **Kraken**- Longtime CEO Jesse Powell- departs with Dave Ripley being promoted to CEO from COO.
- **Kraken Digital Exchange**- Mark Jennings joined as COO from **TP ICAP** where he was Head of Operations
- **Marathon Digital**- Hugh Gallagher joined as CFO from **AmeriGas** where he was Chief Strategy Officer after holding the CEO role for several years.
- **MicroStrategy**- CEO Michael Saylor resigned after more than 30 years. President Phong Le has become CEO.
- **Paxos**- Carlolina Ceballos joined as Chief Compliance Officer. Prior to this she was Deputy Chief Compliance Officer of **Facebook Payments**.
- **Polygon Studios**- Ryan Wyatt joined at Senior Managing Director, Global Head of Gaming at **YouTube**.
- **Protego Trust**- Ron Totaro joined as CEO from **Tassat** where he was CEO. Don Andrews was named CRO, he joins from **City National Bank** where he was a Wealth Management Chief Compliance Officer.
- **Ripple** appoints Barry Joseph as CRO. Prior to this, he was a CRO at **Settle**.
- **Robinhood** appoints Jaad Barakat as Director, Operational Risk. He joins from **Charles Schwab**, where he served as Director.
- **Securitize**- Danya Dumbrell Early joined as Chief Strategy Officer & Chief of Staff previously she held the same for **QED Investors**.
- **Tesseract**- Henri Littunen joined as CRO from **Noreda** where he was Chief Business Risk Manager, Large Corporates & Institutions.
- **Wyre**- Chris Davis, formerly Head of Risk of **US**, has joined as Head of Risk & Compliance Platforms and Program Management.