



Erik Moquist Dakota Asset Management

For this week's Top 50 Microcap Investor, we present Erik Moquist, President and Founder of [Dakota Asset Management](#). Erik obtained a bachelor's degree in financial management from the University of North Dakota in 1998 before launching his career as an investment banker.

Prior to Dakota Asset Management's founding, Erik cultivated his understanding of the various capital requirements businesses possess. "In 2003, he launched and built the Institutional Research, Sales and Trading division for Noble Capital Markets," assisting managers predominately investing in small and micro-cap securities. Primarily inspired by his grandfather who had a "knack for micro-caps," Erik utilized these experiences to found Dakota in the fall of 2016 which focuses on small cap equities.

Zynex Incorporated (ZYXI), a medical device manufacturer, is arguably one of Erik's most successful investments as it was essentially "left for dead" due to complications of reimbursement changes and a cash shortfall. The CEO, actually had to take a cash advance from his personal credit cards just to make payroll. He began acquiring an interest at thirty-nine cents per share after the company raised cash to re-hire salespeople. He scaled out over time before exiting three years later at \$21 per share. While acquisition strategies are of critical importance to investment performance, exit strategies are just as important. Throughout his career, he has refined his exit strategy to be generally driven by: (1) adverse changes in long-term earnings power; (2) questionable strategic changes; (3) excessive valuation; (4) loss of confidence in management and; (5) opportunities to allocate capital to more compelling investments.

Erik is a growth investor waiting for a catalyst and his strategy remains grounded in fundamentals. While the majority of his day is spent analyzing and speaking with companies, he is also an avid fan of the Florida Panthers hockey team. He enjoys golfing and traveling the world during his spare time to experience different cultures alongside his wife and two children. We are thankful Erik was willing to take the time to connect with us and look forward to next week's feature.