



# Operating Partners Forum: Europe 2018

## Highlights from the 2018 Forum

**PRIVATE EQUITY  
INTERNATIONAL**





## Operating partners increasingly involved before a transaction closes

Fierce competition for assets and high pricing is increasing the importance of value creation within European private equity. Operating partners are working more closely with the deal team pre and post-deal leading some speakers to argue that the operating partner and deal partner roles will eventually merge.

The forum provided the opportunity for operating partners, portfolio managers and anyone with an interest in PE value creation the opportunity to meet with their peers, share experiences and keep up to date with the latest developments in the market.

The Operating Partners Forum: Europe is the only event bringing together European private equity professionals focused on value creation.

Over the two days, we heard from 80 speakers who shared their insights and experiences within the industry. This is a fast evolving industry and the event continues to play an important role in developing the profession.

# 2018 Speakers included



**Riccardo Basile**  
Principal - Investment  
Permira



**James Bilefield**  
Digital Expert and Entrepreneur



**Jim Corey**  
Managing Partner  
Blue Ridge Partners



**Andrea Davis**  
Managing Director  
Investcorp



**Mads Ditlevsen**  
Partner  
EQT Partners



**Krzysztof Drozd**  
Senior Managing Director  
Varde Partners



**Kirsten English**  
Experienced CEO, Chair and Non  
Executive  
Style Research



**Amanda Good**  
Partner  
HgCapital



**Miles Graham**  
Operating Partner  
Metro AG



**Fredrik Henzler**  
Partner and Co-Head of Industry Value  
Creation  
Partners Group



**Justin King**  
Vice Chairman and Head of Portfolio  
Businesses  
Terra Firma Capital Partners



**Pierre Laubies**  
Former CEO  
Jacobs Douwe Egberts



**James Markham**  
Partner - Portfolio Management  
Graphite Capital



**Martin Mcphee**  
Operating Partner  
Advent International



**Melissa Mounce Mithal**  
Principal, Global Portfolio Operations  
Baird Capital

# Speakers included



**Eric Nicoli**  
Experienced Exec and Non-Exec  
Chairman



**Tony O'Carroll**  
Managing Director  
SVPGlobal



**Juan Eusebio Pujol**  
Operating Partner  
Miura Private Equity



**Tanuja Randery**  
Operating Executive  
Apax Partners



**Jason Richards**  
Operating Partner  
Hg



**Chris Rixon**  
Digital Director  
Lyceum Capital



**Thomas Röckert**  
Industrial Advisor  
Nordic Capital



**James Roebuck**  
Partner  
Clearsight Investments AG



**Immo Rupf**  
Partner, Operations  
Cinven Partners LLP



**Gregory Salinger**  
Chief Digital Officer  
Apax Partners MidMarket



**Matthias Sander**  
Principal  
BC Partners



**Daniel Sasaki**  
Managing Partner  
Mayfair Equity Partners



**Fash Sawyerr**  
Director  
Actis



**Marc Stoneham**  
Portfolio Manager  
DPI



**Daniel Winkelmann**  
Investment Director  
Gilde Equity Management

# View from the forum

The key takeaways from Europe's leading value creators at our Operating Partners Forum in London

Private Equity International's Operating Partners Forum, held twice a year in London and New York, has established itself as the leading event for value creators in private equity. At the seventh annual Operating Partners Forum Europe in London in May, more than 250 of the industry's leading operational experts met to discuss all matters related to operational expertise. Here's a round-up of some of the things we learnt:

## OPERATING PARTNERS HAVE A GREATER PRE-DEAL ROLE

There was widespread consensus that operating partners are playing a far greater role in the due diligence stage pre-deal, with panellists suggesting that the roles of deal partners and operating partners could eventually merge. Operating partners are now routinely consulted by investment teams, said Fredrik Bürger, EY's EMEA private equity value creation. He sees a "hybrid" model emerging where operational executives have a greater say in investment decisions and "investment teams have more of an operational angle".

## THERE'S FRICTION BETWEEN CEOs AND OPERATING PARTNERS

A survey of CEOs and operating partners by Blue Ridge Partners unveiled at the conference found there was friction in the relationship between the CEO of a portfolio company and the operating executives sent in to ensure the business meets its targets. A degree of friction between CEOs and operating partners is "unavoidable", said Blue Ridge co-founder and managing partner Jim Corey. The key, Corey said, is to build a "trust-based relationship" where each understands their own role in the value creation process.

## PRIVATE EQUITY HAS BECOME 'MORE CIRCUMSPECT'

In an interview with PEI, keynote speaker Justin King, Terra Firma's head of portfolio businesses and former CEO of supermarket chain Sainsbury talked of risk and the 'ridiculously challenging' conditions in the UK care sector. Private equity firms are much more conscious of "binary" market risk than they were before the global financial crisis, he said.

"We're seeing much more circumspect leverage on businesses, because people are more conscious of the fact that there might be binary risk that is genuinely beyond their control that can expose the financing structure."

## DIGITAL IS SEEN AS DRIVING VALUE

Digital improvements are seen as an increasingly crucial part of the operational toolkit, according to conference delegates. Asked to name the most important value creation lever, 27 percent of the delegates said organic revenue growth, followed by digital improvements named by 20 percent. Two traditionally important value creation levers - improving management practices and procurement improvements - lagged in third place, both with 13 percent.

## BUT DIGITAL CHANGE SHOULD BE INCREMENTAL

The word "digital" is attached to virtually everything, said Rob Hornby, the chief digital officer at AlixPartners. This has put competitive pressure on conventional companies to transform - with very mixed results. Failure rates in "digital transformations" range from 50-90 percent, he said. Highlighting common mistakes in digital strategies, based around "unrealistic expectations", Hornby advocated a more incremental approach using a basic cloud-based approach that aims for a major transformation with a more realistic two to three years.



# 2018 attendee and coverage breakdown

**260+** Attendees   **150+** Companies   **145+** Operating Partners



# Companies in attendance included

- 4C Associates
- Accordion
- Actis
- ADP
- Advent International
- Alexander Group
- Alix Partners
- Altor Equity Partners
- Alvarez & Marsal
- ANSA Interim management & Consulting
- Apax Partners
- Arcus Infrastructure Partners
- August Equity
- Avel Capital Advisory
- Baird Capital
- Base Camp Management Consulting
- BC Partners
- BlackDuck
- Blue Ridge Partners
- Borealis Infrastructure (OMERS)
- Bowmark Capital
- Bridgepoint
- Capital Generation Partners
- Capvis Equity Partners
- Civen Partners
- ClearSight Investments
- Coast2Coast Capital
- Collective Content
- Cornerstone Consultants
- Crosslake Technologies
- CVC Capital Partners
- CVI Dom Maklerski
- Development Partners International
- DPI
- EBRD
- ECI Partners
- EDHEC Infrastructure Institute
- Efficio
- Ellice Consulting
- EmergeVest
- EQT Partners
- Ethos Private Equity
- EY
- Eze Castle Integration
- Falco Enterprises
- Finadvice
- Fontenay Operating Partners
- Freshstream
- Generation IM
- Georgia Capital
- ghSMART
- Glide Buy Out Partners
- Graphite Capital
- Hamilton Lane
- Hayfin Capital Management
- Hg
- HGGC
- Humatica
- iCON Infrastructure
- ILAB Ventures
- Infracapital
- InfraVia Capital Partners
- Investcorp
- Jacobs Douwe Egberts
- Kiddy & Partners
- KPMG
- LDC
- LinearB
- Lyceum Capital
- MAC Asset Management
- Maine Pointe
- Mayfair Equity Partners
- McKinsey & Company
- Metric Capital Partners
- Montague Private Equity
- NetSuite/Oracle
- Nordic Capital
- Nyamezela Group
- OMERS Private Equity Europe
- Ontario Airports Investments
- Ontario Teachers' Pension Plan
- Oracle NetSuite
- Palatine Private Equity
- Partners Group
- Permira
- PGGM
- Plural Strategy Group
- PSP Investments
- RHR International
- RPG Belgium NV
- SAP Concur
- Simon-Kucher & Partners
- StepStone
- Style Research
- Suez Agriculture
- SVPGlobal
- SWAN Partners
- Synergetics
- Talmix
- TBM Consulting Group Europe
- Terra Firma Capital Partners
- Triton Partners
- Turnaround Management Association
- Vallis Capital Partners

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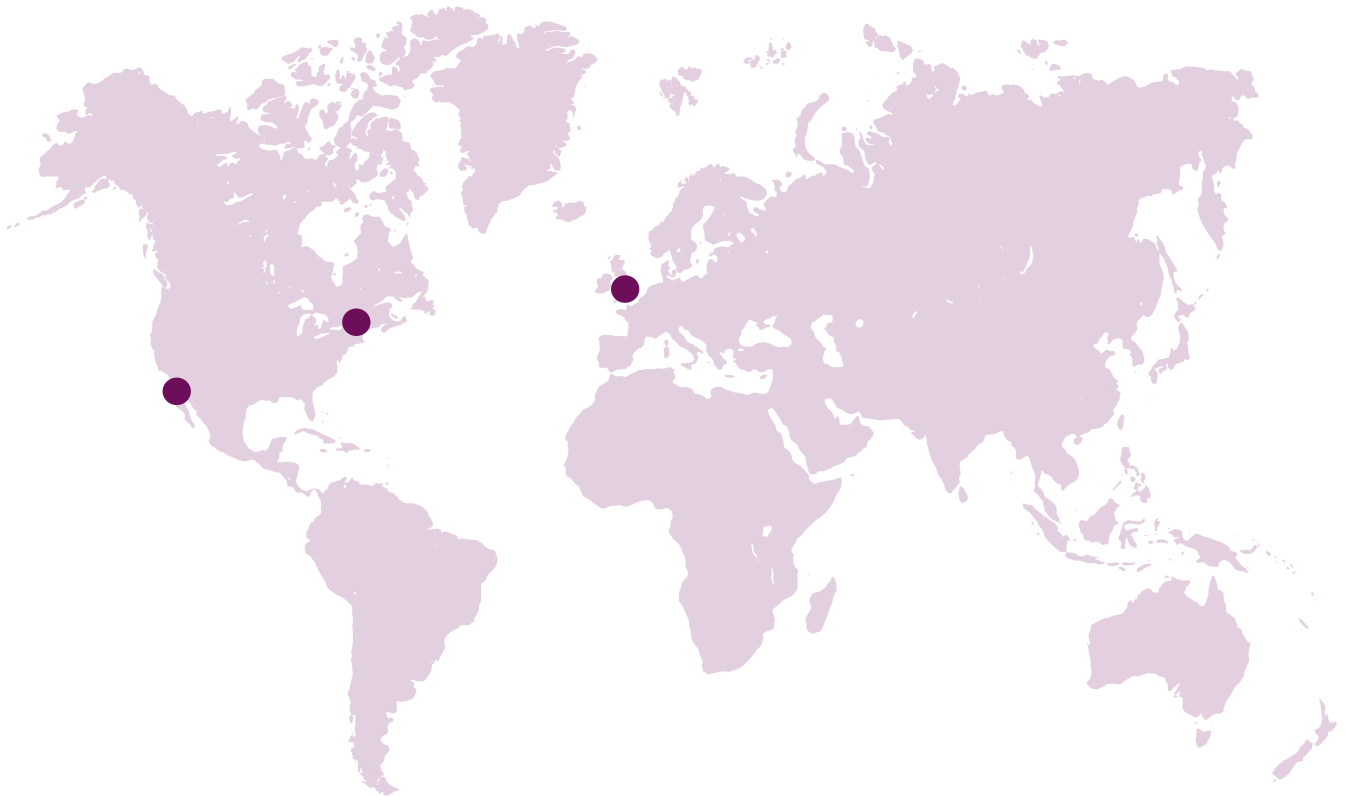


Exhibitor





# 2019 Private Equity International Events



## London

PEI Operating Partners Forum: Europe | 21-22 May 2019  
PEI Responsible Investment Forum: Europe | 5-6 June 2019  
PEI Women in Private Equity | 5-6 November 2019

## New York

PEI CFOs & COOs Forum: New York | 16-17 January 2019  
PEI Responsible Investment Forum | 5-6 March 2019  
PDI CFOs & COOs Forum | May 2019  
PEI Private Fund Compliance Forum | 15-16 May 2019  
PEI Investor Relations, Marketing & Communications Forum | 19-20 June 2019

## San Francisco

PEI Operating Partners Forum | 30-31 May 2019  
PEI Private Fund Finance & Compliance Forum | 3-4 October 2019

Find out more at:

[www.privateequityinternational.com/events](http://www.privateequityinternational.com/events)