

FEATURES IN THIS ISSUE:

CHAIR EVENTS

Second ESSEC Private Equity
Conference Proceedings

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2nd ESSEC Private Equity Conference - Proceedings

The **2nd ESSEC Private Equity Conference** was held on 10 and 11 June 2010 at the Novotel Paris La Defense. Organized by the ESSEC Private Equity Chair with the support of the ESSEC Research Center, the conference covered theoretical, empirical and policy oriented research on Private Equity and related issues. ■■■

■■■ After an introductory welcome, **Xuan Tian (Indiana University)** started the 2nd ESSEC Private Equity Conference with «Tolerance for Failure and Corporate Innovation», co-authored with Tracy Wang (University of Minnesota). The authors define 'tolerance for failure' of venture capitalists (VCs) as the tendency to continue investing in a venture even if the latter does not reach all its milestones. In an empirical analysis, they show that start-up firms backed by VCs with higher 'tolerance for failure' show higher levels of innovation. This finding is particularly strong for early-stage ventures and start-ups started during recessions.

In his discussion of the paper, **Gustavo Manso (MIT Sloan)** pointed out that the paper raises the issue of what the optimal level of 'tolerance for failure' should be, because of the inherent trade-off between resources expended and higher probability of innovation. Further work is necessary to understand what leads different VC funds to behave differently, and the importance of factors like fund culture, fund past experience, and fund contractual arrangements between VCs and their investors. He also wondered if 'tolerance for failure' should be measured using a VC's complete history of investments or if more weight should be put on more recent deals.



Gustavo Manso, MIT Sloan

Ulrich Hege (HEC Paris) presented the second paper of the day, «The Role of Private Equity in Corporate Asset Sales: Theory and Evidence» written with Stefano Lovo, Myron Slovin and Marie Sushka (all at HEC Paris). The paper presents and tests a model where Private Equity (PE) buyers and strategic corporate buyers bid for assets in a divestiture. The empirical results show that PE firms bid more aggressively than corporate buyers. Simultaneously, deals

made by PE firms exhibit higher subsequent increases in enterprise values (and above those of comparable deals).



Ulrich Hege, HEC

The authors conclude that PE buyers exhibit restructuring skills that might be especially important for divestitures.



Frederik-Paul Schlingemann, University of Pittsburgh and Rotterdam School of Management

The discussant **Frederik-Paul Schlingemann (University of Pittsburgh and Rotterdam School of Management)** praised the paper and its methodology. He suggested that differences in means of payment (i.e. the proportion of cash versus stock used to pay the seller) might explain some of the results. He also observed that the size of the asset sales used in the empirical analysis is large, leading him to wonder what is the motivation behind some of these large sellers. In the subsequent discussion with the floor, it was pointed out the difficulty of adjusting observed deal performance for add-on acquisitions made by PE sponsors.

Jay Ritter (University of Florida) presented the paper «Local Underwriter Oligopolies and IPO Underpricing», joint with Xiaoding Liu (University of Florida). The paper shows that underwriters with «all-star» analysts seem to exhibit higher market power, which leads to higher underpricing (that is, a higher price increase in the first day of trade of an initial public offer, or IPO). Underpricing is a cost for the issuer firm, because it means that the seller 'left money on the table'. The finding is especially true for VC backed IPOs: issuers that are both VC-backed and have all-star analyst coverage are 22% more underpriced than other IPOs. This is consistent with the fact that underwriters offer a bundle of different services, and sponsors care about these non-price dimensions. VCs seem particularly keen on obtaining all-star analyst coverage for their firms.



Jay Ritter, University of Florida

In the discussion, **François Degeorge (Swiss Finance Institute, University of Lugano)** pointed out that VCs who are selling firms with a complicated «story» might be those keen on purchasing all-analyst coverage. However those cases would correspond to IPOs that investors find more difficult to price, leading to greater observed underpricing. The discussant also pointed out that the results seem weaker after the burst of the Internet bubble in the early 2000s, raising the question of why VCs might not be willing to pay for the all-star coverage after that date. One possible reason could be that 'Chinese walls' in underwriters were substantially reinforced after that date.



François Degeorge, Swiss Finance Institute, Univ. of Lugano

The following paper, «The effect of litigation on venture capitalist reputation», was presented by **Vladimir Ivanov (US Securities and Exchange commission)**. The paper is jointly authored with Vladimir Atanasov (College of William and Mary) and Kate Litvak (Northwestern University). The authors examined the role of contract enforcement in Venture Capital. The authors find that more reputable VCs are less likely to be involved in litigation. Moreover, following a lawsuit, litigated VCs raise less capital than their peers, invest in fewer deals, syndicate with fewer VCs, and have a lower probability of successful exit. Within the universe of litigated VCs, sponsors sued by entrepreneurs invest in even fewer deals, while VCs sued by their Limited Partners (LPs) raise significantly less capital.

In his discussion, **Eric Nowak (University of Lugano and Swiss Finance Institute)** elaborated on the measures used to infer VC reputation, which include VC age, number of past deals, and funds raised. The discussant suggested the use of additional proxies like media rankings or fund sequence to measure reputation more precisely. He also

pointed out that a lot of the lawsuits used in the study refer to the Internet bubble period. This fact raises the question whether there is anything special about that wave of litigation or results are generalizable to other market segments.

The last paper of the first day was «Does finance bolster superstar companies? Banks, Venture Capital, and Firm Size in Local U.S. Markets», presented by **Alexander Popov (European Central Bank)**. The paper studies the effect of the mode of financing (VC backed financing versus bank finance) on firm size. The paper presents evidence the emergence of very large firms in a U.S. sample of local markets is positively related to VC activity. Using U.S. banking deregulation as a structural break, the paper also shows that bank finance activity does not seem to have an impact on firm size. Overall, the author reports that VC activity is correlated with the emergence of new corporate giants, but not necessarily the growth of existing large firms.



Alexander Popov, European Central Bank

In the discussion of the paper, **Laura Bottazzi (Bologna University and IGIER)** questioned the rationale of focusing on large firms. The discussant would like to see more evidence of the role of large firms on employment and innovation. She also suggested the use of a propensity score methodology to compare firms within the same size range. This would also allow to control for other characteristics like the age of firms financed by different sources.



Laura Bottazzi, Bologna University and IGIER

The second day of the conference started with «Risk and Expected Returns of Private Equity Investments: Evidence Based on Market Prices» presented by **Narasimhan Jegadeesh (Goizueta Business School, Emory University)** and co-authored by Roman Kräussl (VU University Amsterdam) and Joshua Pollet (Goizueta Business School, Emory

University). The authors gather market prices of publicly traded PE vehicles such as funds of funds and listed Private Equity (LPE) funds to determine the level of expected abnormal return («alpha»), and the risk profile associated with PE. The authors conclude that the market expects abnormal returns of about 0.5% per year for unlisted PE fund investments and close to zero abnormal returns for investments in LPE. This means that investors may consider the latter investments as “fair deals”. The authors also report an estimated «beta» close to one for PE investments.



Narasimhan Jegadeesh, Goizueta Business School, Emory University

The following discussion was animated by **Ludovic Phalippou (University of Amsterdam Business School)**. The discussant pointed out that even though results seem consistent with previous studies, VC and Buyout funds should not be pooled in the performance analysis due to their different risk profiles. He also pointed out that investors seem to have little knowledge about the PE asset class. Thus it is difficult to understand what exactly «beta» estimates are saying.

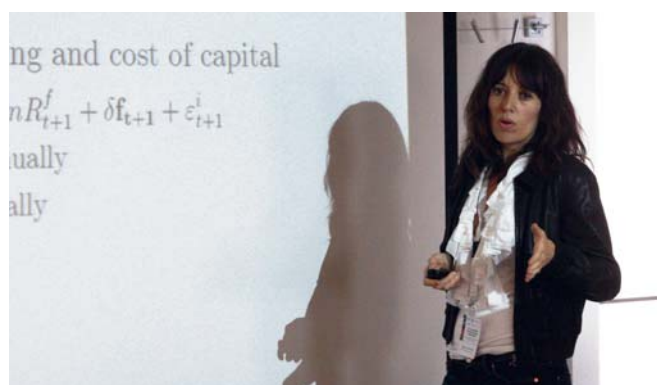


Ludovic Phalippou, University of Amsterdam Business School

Roles were reversed for the second paper of the day, entitled «Private Equity Performance and Liquidity Risk» and presented by **Ludovic Phalippou (University of Amsterdam Business School)**. The paper, joint with Francesco Franzoni and Eric Nowak (both at University of Lugano and Swiss Finance Institute), studies the impact of liquidity risk on the returns of PE investments. In a first step, the authors show that changes in stock market liquidity have an impact on performance at the individual investment level. In a second step, the authors construct performance regressions on PE portfolios and report a liquidity risk premium of 3% per year

for PE investments. The implied historical cost of capital for PE would then be about 24%. The paper also finds that large investments and those made by older PE firms have more exposure to liquidity risk.

The discussant, **Laurence Lescourret (ESSEC Business School)**, pointed out that the authors use transactions data from the U.S. stock market to calculate liquidity measures in their analysis of U.S. and European PE investments, implicitly assuming that European and U.S. markets are perfectly integrated. The discussant would also like to understand better the precise role played by liquidity, and suggested that both credit markets and the market for secondary transactions would be sources of data for further analysis.



Laurence Lescourret, ESSEC Business School

Thomas Chemmanur (Boston College) presented «How does Venture Capital Financing Improve Efficiency in Private Firms? A Look Beneath the Surface», joint with Karthik Krishnan (Northeastern University) and Debarshi Nandy (York University). The research proposes to compare the efficiency and productivity of VC and non-VC private firms, and to analyze how and when efficiency improvements arise due to venture backing. One of the important features of the analysis is the use of one of the largest datasets on private firms collected by the U.S. Census Bureau. Using Total Factor Productivity (TFP) as a measure of overall firm efficiency, the authors report higher levels of TFP for VC-backed firms, especially those with high reputation. Sales growth seems to be the main channel through which VCs have an impact on firm performance, which is consistent with their monitoring role.



Thomas Chemmanur, Boston College

Daniel Ferreira (London School of Economics), as a discussant, highlighted the difficulty of disentangling the selection role of VCs versus their impact on firm performance on monitoring. PE funds tend to select firms with more po-

tential, and their ability to do so might be correlated with a better reputation. The discussant therefore wondered if an overestimation of the monitoring role of VCs might occur due to firm-specific trends in growth.



Daniel Ferreira, London School of Economics

The last paper of the morning session, «Private Equity, Buy-outs, Leverage and Failure», was jointly presented by **Mike Wright (Centre for Management Buy-out Research, Nottingham University Business School)** and **Nick Wilson (Credit Management Research Centre, Leeds University Business School)**. The paper is co-authored with Ali Altanlar (Credit Management Research Centre, Leeds University Business School). Examining the likelihood of failure for leveraged buyouts (LBOs), management buyouts and buyins (MBO/MBI) and PE-backed buyouts, the authors report that the level of financial leverage is positively correlated with the likelihood of failure. However, PE-backed buyouts are statistically speaking less liable to go into default than MBOs, and the latter are themselves less prone to fail than MBIs. These results can be explained by the experience of PE investors and that of incumbent directors in managing leverage risks. Furthermore, the authors find that PE-backed buyouts performed after 2003 are not statistically speaking riskier than the non-buyout population.



Mike Wright, CMBOR, Nottingham University

The paper was discussed by **Sandeep Dahiya (McDonough School of Business, Georgetown University)** who noted the impressive data collection effort of the authors. However he pointed out that the results are not really that surprising, and the large number of observations (more than 8 million) might mean that the statistical analysis will show up significant if one uses a small number of explanatory variables. The discussant would also like to see more work done on what explains the selection of firms by PE spon-

sors, and thinks that the authors' data provides the ideal setting for such a study.

«Leverage and Pricing of Senior and Junior Debt in LBOs», presented by **Hannes Wagner** and co-authored by Paolo Colla and Filippo Ippolito (**all at Bocconi University**), analyzes empirically the determinants of LBO debt financing and pricing. The study used a hand-collected rich dataset of 240 worldwide buyout deals between 1997 and 2008. According to the authors, the most important factors for LBO leverage and pricing are the state of the market buyout cycle ('hot' or 'cold'), the public or private status of the targets, the level and stability of the target's cash-flows, and the market-wide cost of debt financing. The paper finds that PE sponsor reputation does not seem to play a key role in observed pricing. The authors argue that banks and institutional investors seem to loosen lending standards during hot markets, whereby high-yield investors are crowded out by availability of cheap senior debt.



Hannes Wagner, Bocconi University

The paper's discussant was **Ulf Axelson (London School of Economics)**. The discussant wondered whether the observed relationship is due to the general negative relationship between spreads and profitability observed in studies of non-LBO firms. He also pointed out that the whole period under study seemed to be one of «hot markets» as far as LBO activity is concerned, making it difficult to generalize the study's conclusions. Measures of PE reputation, like past deal experience, seem also to suffer from methodological problems that limit their usefulness.



Ulf Axelson, London School of Economics

Hung-Chia Hsu (University of Wisconsin) presented «Competitive Effects of Private Equity Investments», joint with Adam Reed (University of North Carolina) and Jörg Rocholl

(ESMT Berlin).

The goal of the paper is to examine competitive effects of PE activity. In this paper, the authors argue that if PE investors support portfolio firms in numerous ways (through industry expertise, enhanced managerial incentives, or better corporate governance, among others), these factors should be sources of competitive advantages for PE targets. In an empirical analysis, the authors report that the announcement and the completion of PE transactions are bad news for rivals, but the withdrawal of PE transactions constitute good news for industry rivals. The paper also finds that proxies for the sources of competitive advantage are statistically correlated with the effects identified above.

In his discussion of the paper, **Laurent Frésard (HEC Paris)** praised the authors' call for a better understanding of how PE activity affects the competitive environment of firms. Nevertheless selection of the best firms by PE sponsors might play a role in the results. In addition, it is not clear if the results are due to the stronger competitive position of PE-backed firms after the deal or if they are due to the market interpreting the absence of a bid for a rival as a negative signal about the rival firm's performance.

The next article, «Private Equity and Industry Performance», was presented by **Per Strömberg (Stockholm School of Economics, NEBR and SIFR)**. The paper was written jointly with Shai Bernstein (Harvard Business School), Josh Lerner (Harvard Business School and NBER), and Morten Sørensen (Columbia University, NBER and SIFR). The authors examine the impact of past PE investments on industry performance and cyclicalities, as well on growth rates of productivity, employment and capital formation, using a sample of more than 8,000 country-industry-year observations between 1991 and 2007. The authors report that PE investment is positively associated with future productivity and employment measures. In addition, they report no evidence that industry-wide economic fluctuations are exacerbated by the presence of PE investments. The authors conclude that regulatory proposals to curb PE activity do not seem to be justified empirically by the available data.



Per Strömberg, Stockholm School of Economics, NEBR and SIFR

José-Miguel Gaspar (ESSEC Business School) discussed the paper. The discussant wondered whether the results are explained by the prevalence of PE-owned firms in certain industries or by the spillovers of behavior of PE-owned firms' behavior into rival firms. The discussant also pointed out that some aspects of the data, namely the weaker results for the U.S. and the U.K., indicate that the mere presence of PE in an industry, and not the magnitude of its

activity, explains results. Further analysis is necessary to clarify these issues.

Jiekun Huang (National University of Singapore) presented “Hedge Funds and Shareholder Wealth Gains in Leveraged Buyouts”. Using a data on hedge funds holdings, the author examines the role of hedge fund ownership in LBO targets. The author reports that hedge funds significantly increase their holdings in the target both before and after the LBO announcement. In addition, LBO premiums (paid by the buyer to the seller) are increasing in the pre-announcement holdings by hedge funds. The findings are particularly strong for hedge funds with an ‘activist’ agenda. The author concludes that hedge funds play a role in protecting target shareholders’ interests in LBOs.



Jiekun Huang, National University of Singapore

In her discussion, **Karin Thorburn (Norwegian School of Economics and Business Administration)** suggested sharpening the hypothesis and explaining what actions different types of hedge funds can take to increase the premium. It would also be interesting to separate ownership of merger arbitrageurs from hedge fund activists. Lastly, the discussant remarked that the paper invites further investigation about the relevance of hedge fund toeholds for takeovers in general.

The conference ended with a professional panel entitled «**Beyond the storm, full steam ahead? Opportunities and challenges in the European Private Equity Market**».

The panel members were **Sébastien Bazin (CEO Europe, Colony Capital)**, **Gonzague de Blignières (CEO, Barclays Private Equity France and Co-Head Barclays Private Equity Europe)**, **Bertrand Finet (Director, FSI)** and **Hervé Schricke (CEO Xange, Vice- Chairman, AFIC)**. After a brief introduction in which panel members expressed their views of the challenges facing PE in Europe, conference participants had a long period of question and answers with panel members covering issues like fundraising, compensation, innovation practices, current and future regulation, and PE performance measurement.

The conference ended with a dinner at the Jardins Paris Bagatelle in a relaxed atmosphere.



The professional panel from left to right: Bertrand Finet, Sébastien Bazin, Hervé Schricke and Gonzague de Blignières



Bertrand Finet, FSI



Sébastien Bazin, Colony Capital



Hervé Schricke, Xange, AFIC



Gonzague de Blignières, Barclays Private Equity

All conference papers and discussions are available for download at

http://www.essec-private-equity.com/us/annual_conference/index.html



At Bagatelle, from left to right: Alexander Popov, Lorenzo Naranjo, Vladimir Ivanov and Myron B. Slovin

Scientific Committee members:

- Viral Acharya**, Stern School of Business, New York University
Sridhar Arcot, ESSEC Business School
Ulf Axelson, London School of Economics
Catherine Casamatta, Université de Toulouse I
Denis Gromb, INSEAD
Ulrich Hege, HEC Paris
Tim Jenkinson, Saïd Business School, University of Oxford
Steve Kaplan, Booth School of Business, University of Chicago
Andrew Metrick, Yale University
Manju Puri, Fuqua School of Business, Duke University
Michael Weisbach, Ohio State University
Ayako Yasuda, University of California, Davis Graduate School of Management
Sridhar Arcot, ESSEC Business School
Jose-Miguel Gaspar, ESSEC Business School.

Conference participants:

- Ulf Axelson**, London School of Economics
Jean-Noël Barrot, HEC Paris, PhD
Sébastien Bazin, Colony Capital
Laura Bottazzi, Bocconi University
Thomas Chemmanur, Boston College
Sandeep Dahiya, Mc Donough School of Business, Georgetown University
Gonzague De Blignières, Barclays Private Equity
François Degeorge, Swiss Finance Institute, University of Lugano
Gérard Despinoy, OC&C Strategy Consultants
Alexandre De Vaivre, Adveq Management AG
Marc Devigne, Savoir Faire & Cie
Saloua El Bouzaidi, Univ. Evry Val d'Essonne, PhD
Daniel Ferreira, London School of Economics
Bertrand Finet, Fonds Stratégique d'Investissement
Laurent Fresard, HEC Paris
Andras Fulop, ESSEC Business School
Edith Ginglinger, Université Paris-Dauphine
Ulrich Hege, HEC Paris
Tomas Hricko, Adveq Management AG
Jiekun Huang, National Univ. of Singapore
Scott Hung-Chia Hsu, University of Wisconsin, Milwaukee
Vladimir Ivanov, U.S. Securities and Exchange Commission
Olivier Langlois, Esselte
Laurence Lescourret, ESSEC Business School
Gustavo Manso, MIT Sloan
Alexandre Margoline, Permira Advisers LLP
Jocelyn Martel, ESSEC Business School
Bill Megginson, Univ. of Oklahoma, Paris-Dauphine
Mathilde Mourier, Batipart SAS
Lorenzo Naranjo, ESSEC Business School
Jegadeesh Narasimhan, Emory University
Eric Nowak, Swiss Finance Institute, Univ. of Lugano
Ludovic Phalippou, Univ. of Amsterdam Business School
Yana Ponomarova
Alexander Popov, European Central Bank
Jay Ritter, University of Florida
Jörg Rocholl, ESMT Berlin
Samir Saadi, INSEAD, PhD
Antoine Sage, Cerea Gestion
Frederik-Paul Schlingemann, Univ. of Pittsburgh, Rotterdam School of Management
Hervé Schricke, Xange, AFIC
Myron B. Slovin, HEC Paris
Carmen Stefanescu, ESSEC Business School
Per Strömberg, Stockholm School of Economics, NBER and SIFR
Marie E. Sushka, HEC Paris
Karin Thorburn, Norwegian School of Economics and Business Administration
Xuan Tian, Indiana University
Hannes Wagner, Bocconi University
Nick Wilson, Credit Management Research Centre, Leeds University Business School
Mike Wright, CMBOR, Univ. of Nottingham
Peipei Zhang, ESSEC Business School, PhD



Thursday, June 10th 2010

12.30-13.30	Registration - Lunch
13.30-14.15	Tolerance for Failure and Corporate Innovation Xuan Tian, Indiana University - Tracy Y. Wang, University of Minnesota Discussant: Gustavo Manso , MIT Sloan
14.15-15.00	The Role of Private Equity in Corporate Asset Sales: Theory and Evidence Ulrich Hege, HEC Paris - Stefano Lovo, HEC Paris - Myron Slovin, HEC Paris - Marie Sushka, Arizona State and HEC Paris Discussant: Frederik-Paul Schlingemann , University of Pittsburgh and Rotterdam School of Management
15.00-15.30	Break
15.30-16.15	Local Underwriter Oligopolies and IPO Underpricing Xiaoding Liu, University of Florida - Jay Ritter , University of Florida Discussant: François Degeorge , Swiss Finance Institute, University of Lugano
16.15-17.00	The effect of litigation on venture capitalist reputation Vladimir Atanasov, College of William and Mary - Vladimir Ivanov , U.S. Securities and Exchange Commission - Kate Litvak, University of Texas School of Law Discussant: Eric Nowak , Swiss Finance Institute, University of Lugano
17.00-17.45	Does finance bolster superstar companies? Banks, venture capital, and firm size in local U.S. markets Alexander Popov , European Central Bank Discussant: Laura Bottazzi , Bocconi University and University of Bologna
18.30	Bus transportation to Musee d'Orsay
19.15 - 22.00	Dinner at Musee d'Orsay (registration necessary). Includes ticket to the Museum. Participants may visit the collections before dinner if they wish to do so.

Friday, June 11th 2010

8.45-9.30	Risk and Expected Returns of Private Equity Investments: Evidence Based on Market Prices Narasimhan Jegadeesh , Goizueta Business School, Emory University, and NBER - Roman Kräussli, VU University Amsterdam - Joshua Pollet, Goizueta Business School, Emory University Discussant: Ludovic Phalippou , University of Amsterdam Business School
9.30-10.15	Private Equity Performance and Liquidity Risk Francesco Franzoni, University of Lugano and Swiss Finance Institute - Eric Nowak, University of Lugano and Swiss Finance Institute - Ludovic Phalippou , University of Amsterdam Business School Discussant: Laurence Lescouret , ESSEC Business School
10.15-10.45	Break
10.45-11.30	How does Venture Capital Financing Improve Efficiency in Private Firms? A Look Beneath the Surface Thomas Chemmanur , Boston College - Karthik Krishnan, Northeastern University - Debarshi Nandy, York University Discussant: Daniel Ferreira , London School of Economics
11.30-12.15	Private Equity, Buy-outs, Leverage and Failure Ali Altanlar, Credit Management Research Centre, Leeds University Business School - Nick Wilson, Credit Management Research Centre Leeds University Business School - Mike Wright , Centre for Management Buy-out Research, Nottingham University Business School Discussant: Sandeep Dahiya , Mc Donough School of Business, Georgetown University
12.15-13.30	Lunch
13.30-14.15	Leverage and Pricing of Senior and Junior Debt in LBOs Paolo Colla, Bocconi University - Filippo Ippolito, Bocconi University - Hannes F. Wagner , Bocconi University Discussant: Ulf Axelson , London School of Economics
14.15-15.00	Competitive Effects of Private Equity Investments Hung-Chia Hsu, University of Wisconsin - Adam Reed, University of North Carolina - Jörg Rocholl , ESMT Berlin Discussant: Laurent Fresard , HEC
15.00-15.30	Break
15.30-16.15	Private Equity, Industry Performance and Cyclicalities Shai Bernstein, Harvard Business School - Josh Lerner, Harvard Business School and NBER - Morten Sørensen, Columbia University, NBER and SIFR - Per Strömberg , Stockholm School of Economics, NEBR and SIFR Discussant: Jose-Miguel Gaspar , ESSEC Business School
16.15-17.00	Hedge Funds and Shareholder Wealth Gains in Leveraged Buyouts Jiekun Huang, National University of Singapore Discussant: Karin Thorburn , Norwegian School of Economics and Business Administration
17.15-18.15	Professional Panel: Beyond the storm, full steam ahead? Opportunities and challenges in the European Private Equity Market Sébastien Bazin , CEO Europe, Colony Capital - Hervé Schricke , CEO, Xange and Vice-Chairman, AFIC - Gonzague de Blignières , CEO, Barclays Private Equity France and Co-Head Barclays Private Equity Europe - Bertrand Finet , Director, FSI.
19.15	Bus transportation to La Vigne de Paris-Bagatelle
20.00-23.00	Conference Dinner at La Vigne de Paris-Bagatelle (registration necessary).

Information and registration: www.essec-private-equity.com/us/annual_conference

About the ESSEC Private Equity Chair

The ESSEC Private Equity Chair was created in January 2007 as a forum to support research and study of the Private Equity Industry. Our sponsors, Barclays Private Equity, Grant Thornton, and Linklaters, contribute with financial resources, as well as with their operational expertise and network, to help the Chair achieve its objectives. The Chair has three activity areas: production of academic research; production of managerial-oriented content via its Case-Study Programme; and coursework open to ESSEC students. The Chair is headed by a permanent faculty member of the ESSEC Finance Department, in charge of research and teaching activities. For more information about the Chair, visit www.essec-private-equity-com.

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