

European Private Equity: A Transatlantic Perspective

On 15 November 2004, the London Business School Club of New York, in conjunction with the Wharton Club of New York, presented an evening panel discussion, 'European Private Equity: A Transatlantic Perspective'. **Stefanie Smith** and **Michael Rycheck** (both IEP33 and Wharton MBA92) organised and chaired the event for an audience of more than 125 people. The event was hosted at the New York office of Debevoise & Plimpton LLP.

Three panellists provided real-world perspectives on cross-border transaction experience:

- Andrew L Sommer, Managing Partner of the Debevoise London office, and a member of the firm's M&A and Private Equity Groups
- Alex Evans, a principal with Providence Equity Partners
- James Attwood, who leads The Carlyle Group's Global Telecommunications and Media team.

According to Andrew Sommer, returns in the European buyout market have outperformed the US market over the last ten years by approximately 10 per cent. Europe has caught the eye of the Americans as US private equity investors are playing a growing role in European mergers and acquisitions transactions:

- In each of the past four years, US capital has been the largest source for European buyout funds, raising between 19 per cent and 25 per cent of total funds.
- In 2003, US buyout firms accounted for 22 per cent of total buyout value in Europe, increasing to 26 per cent in the first six months of 2004.
- US financial sponsors led six of Europe's ten largest deals over the last four years and nine of the top 20 during the last 12 months.

A consultant working with corporate and private equity clients to manage operational



integration, Stefanie explained her interest in this topic starting with her first international M&A transaction assignment, working with a London Business School alumnus in charge of global business development for a public company. "A cross-border context changes everything, from details to strategy," Stefanie remarked, "and as more and more deals are international, companies need to know where to look for pitfalls, and how to achieve the greatest profitability in the shortest timeframe." Stefanie and Michael, active in both the London and Wharton alumni communities in New York, had been looking for a way to bring the two groups together for a meaningful programme on international business.

"This event reflects the power and impact of our exchange experience," Michael said.

Stefanie added, "We wanted to build on the School's reputation for offering top-tier private equity events on campus and to provide tangible business value to the New York community."

Jane Deuser (SLN19)



Event organisers Stefanie Smith and Michael Rycheck with guest panellists.

