



Donna M. Hitscherich '90 addresses EMBA students at graduation on May 12, 2018
Photo: Island Photo

Message from

Donna M. Hitscherich '90

*Senior Lecturer in the Discipline of Business Finance
Director of the Private Equity Program
Faculty Leader, The Sanford C. Bernstein & Co. Center
for Leadership and Ethics*

Dear Friends,

We hope you all enjoyed a bit of a break this summer. As we gear up for the busy Fall semester, we hope you enjoy reading our newsletter highlighting what we at the Private Equity Program recently have been up to.

First and foremost, we are pleased to announce that the Private Equity Fellows Program has been approved by the Business School's Curricular Committee and

Finance Department as a 1.5 per semester course. This achievement is the culmination of years of development and represents a major step as the Program continues to institutionalize the work we have undertaken over the past five years.

Please know that this achievement would not be possible without the support of our alumni and friends of the Program who have shared experiences and expertise with our students and generously contribute to the Program's continued success.

For the first time, the Private Equity program assisted Youth About Business in securing space for their annual summer camp. We were introduced to this opportunity by one of our sponsors. It was an excellent opportunity for the Program to engage with students at an early stage of their business careers as Youth About Business gives high school students from all backgrounds exposure to the world of business through a stimulating and interactive program.

On July 17th we held our third annual networking even and reception, Women in Finance, for women who had internships in the financial services industry during the summer. This year's event was generously hosted by EY. The Private Equity Program co-sponsors this event with The Heilbrunn Center for Graham & Dodd Investing as we each try to encourage more women to pursue financial careers and provide a source of support for women who are currently in finance careers.

Finally, Deal Camp will soon be upon us! Our 8th Annual Deal Camp will be held on November 29-December 2 at Gurneys Montauk. This will be our fourth year of offering Deal Camp in Partnership with Columbia's Executive Education. Please consider if you have colleagues or clients that you believe could benefit from the Deal Camp experience.

Kind regards,

Donna

Donna M. Hitscherich

OFFICE: 212-854-0763 EMAIL: dmh9@gsb.columbia.edu

 @dmhcbpspe  Donna M. Hitscherich

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Member, Client and Partner Group, KKR



Members of the Advisory Board and friends of the PE Program at the School's Annual Dinner at the American Museum of Natural History May 2018



Alumni News

Congratulations to all our alumni who were listed on the Forbes 2018 Midas List: [Roger Ehrenberg '93](#), IA Ventures, [Young Guo '97](#), IDG Technology Venture Investment, [Anto Levy '03](#), General Atlantic Service Company and [Robert Hayes '95](#), First Round Capital.

[Alexandra Krueggeler '17](#) has joined Fortress Investment Group.

[Bennett Nussbaum '71](#) has joined HGGC as operating executive.

[Brandon Short '10](#) was named to Penn State Board of Trustees.

[Nahema Mehta '14](#) was featured in Forbes discussing "Absolute Art".

[Robert Smith '94](#) was featured in Forbes discussing the role of Vista Equity.

Congratulations to the PE Fellows Program Class of 2018:

Robert Abelson, Amicus Investment Company; Jarrett Arkin, Brightstar; Lloyd Blashka, Palladium Equity Partners; Nicholas Brady, The Olayan Group; Mauro Castro, Altavair; Cyril Gradis, Partners Group; John Grogan, MFG Partners; Wenceslao Guerrero Matos, Temasek; Michael Katz, Davis Polk, Candis Kountz, KKR; Antonio Lequerica, Collier Capital; Anji (Andrew) Lin, Cartica Capital; Joan Llanso, Permira; Matthew Mann, Goldman Sachs; Mario Masrieh, Gridiron Capital; Sebastien Mosqueira, Credit Suisse; Sarvesh Nevatia, Restaurant Brands International; Ryan Peng, Morgan Stanley HK; Agustin Ruiz-Taboada, Mayfair; Chirag Shah, Wicks Group; Jarrod Smith, Webster Capital; Joe Somerdyk, Brookside Equity; Jimmy Sourbeer, Reugens Technology Partners; Shoko Tanaka, Mitsubishi; Christian Tansey, Lexington Partners; Chad Tappendorf, Coastal Capital; Anthony Yakabu, Restaurant Brands International



Michael Livanos '08,
Stellex Capital management

A sincere thank you to [Michael Livanos '08](#), Stellex Capital, who has joined the morning classes since 2016. Mike helped provide industry perspective to our students and encouraged them in their job searches.

Mike made sure the sessions ran smoothly, and provided students with the highest example of invaluable alumni engagement. *Thank you, Mike!*

To make a gift to the Private Equity Program or learn about sponsorship opportunities, please contact: Heidi Ihrig, Senior Associate Director, Major Gifts, External Relations and Development.

EMAIL: hi2183@gsb.columbia.edu PHONE: 212-854-5831

Fellows Program Update

The Fellows Program will now be part of a 1.5 credit course over the course of two semesters. It will be offered for the first time in the Fall of 2018.

The Fellows program participants have gone to PE and investment firms all over the world. See our Alumni News for updates on the Class of 2018.

If you are interested in presenting a case study to the students or in receiving the resume book, please contact us.



The 2018 PE Fellows volunteered with **SEO Alternative Investments** to coach and mentor SEO fellows. We are looking forward to continuing this partnership for 2019.

Mitsubishi Corporation

The Fellows Program has also recently received sponsorship from **Mitsubishi Corporation**. Mitsubishi Corporation is also a strategic partner with One Rock Capital. Thank you to Mitsubishi Corporation and **Shoko Tanaka '18** for the support!

Firms that present cases:

Apollo, Carlyle Group, Clayton Dublier & Rice, Commonfund, CVC, HPS Capital, General Atlantic, MFG Partners, Stellex Capital, TPG and more

Representative Hiring Firms:



MOELIS & COMPANY

THE CARLYLE GROUP



TEMASEK HOLDINGS



Hire Columbia!

If you are a recruiter or private equity professional interested in discussing Columbia recruiting, have comments or questions, or wish to see the Deal Camp or Fellows Program resume book, please contact us. If you have a specific job ready to post, go directly to www.gsb.columbia.edu/jobpost.



Private Equity Fellows, Class of 2018



RECENT EVENTS

1. February 23, 2018

24th Annual Student PE Conference
The 2018 Student Conference Team.

2. April 14th, 2018

Reunion

Panelists at Reunion included Neal Costello '08, Alpinvest; Ling Liu '98, Cathay Capital; Alisa Wood '08, KKR and J.L. Zrebiec '08, Clayton Dublier & Rice.

3. May 15th, 2018

Disintermediating PE Event with Alston & Bird

Alumni panel discussion event with guest speakers Gary Appel '77, Investcorp International Inc.; Scott Hauser '15, OMERS Private Equity; Heather Ripley, Alston & Bird and Andres Small '12, Partners Group.

4. July 2018

Youth About Business Camp

The Program was delighted to host Youth About Business Camp this summer—Photo from Parent Orientation Day, taken on June 9, 2018.

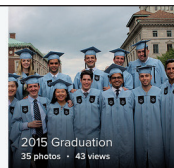
5. July 17, 2018

Women in Finance

The Program held its annual Women in Finance event for students during their summer internships. This year we were hosted by EY. Professor Hitscherich with speakers Bola Osakwe, KKR; Aimee Molle, EY; Mallory Downing '15, Adakin Capital and Meredith Trivedi, Heilbrunn Center for Graham and Dodd Investing, Columbia Business School.



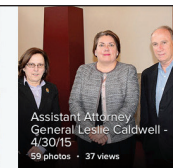
2015 ESADE M&A Session
6 photos • 6 views



2015 Graduation
35 photos • 43 views



ALEA conference 2015
4 photos • 11 views



Assistant Attorney General Leslie Caldwell - 4/30/15
59 photos • 37 views



Columbia PE Program
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Private Equity Program Photos

We are always posting new photos on our Flickr account!

www.flickr.com/photos/cbspeprogram

Private Equity Program on Twitter

Follow Private Equity Program on Twitter for PE News and the latest at Columbia Business School @cbspe

Featured Content

Demystifying Cloud (Part I): Cloud Motivation and Economics

*Authors: Sean Epstein '04, Head of SAP Private Equity, EMEA and Greater China;
Srinivas Rappthadu, SAP Senior Strategist; Sean Kibbe, Private Equity Fellow*

Private Equity funds, specifically their operating partners on the ground, need to get more engaged on how their portfolio companies' leaders evaluate the merits and approach to moving to the cloud—both their backbone technologies and the those that create competitive advantage.

Any technology investment should clearly align with the fund's goals for the transaction—such as short-term cost savings goals: platform plays with rapid acquisitions and quick integrations all lend themselves to a cloud-first strategy. Companies use a myriad of evaluation approaches which most commonly include items such as existing/future business requirements, current infrastructure/software, agility demands, and the quantification of business risks associated with security, compliance, and data privacy. Assessing these risks and requirements is necessary to determine the true opportunity costs of implementing, or not implementing, a cloud-first strategy.

Opportunity Cost

Opportunity cost, along with CAPEX (Capital Expenditure) and OPEX (Operating Expenditure) calculations, identifies the real benefit of transitioning IT spend from on-premise resources towards cloud services. Opportunity cost analysis provides insights into how invested capital can be utilized for the best alternative.

Traditional on-premise IT spend (i.e.: you pay to host your data) can be both capital and time intensive. Hardware purchases and software licenses are upfront expenditures that need to be carefully planned based on the projected growth of a business. Predicting the exact IT requirements is complex due to external factors, such as market demand and competition.

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PRIVATE EQUITY PROGRAM RESEARCH

Gen Xers Needed!

The Program's research survey developed with Damon J. Phillips, Lambert Family Professor of Social Enterprise, is available for all professionals! ***In particular we could use some more responses from Gen X professionals.*** (www8.gsb.columbia.edu/privateequity/survey)

Feel free to share with your colleagues.

Thank you in advance for your time and participation!

Be a part of Columbia research!



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Cloud computing, on the other hand, provides the ability to match supply and demand, thus alleviating over-investment or under-investment on IT resources. Cloud services offer subscription-based pricing models that incur IT spend as an OPEX, due to their pay-as-you-go pricing structure. In addition, the capital used for CAPEX purchases cannot be redirected; even in the case of underutilized IT resources, they are then sunk costs. You need to know what percent of software and infrastructure is being consumed to make these decisions.

Business Agility

Business agility is essential for faster revenue growth, sustainable cost reduction, and the adaptation of business model changes that result from innovations, expansions, increased complexity to execute. Getting digitization right is a source of competitive advantage and a driver of increased investment returns.

Most organizations have a landscape of old applications that cannot be upgraded and will not be supported for long. This results in companies that cannot integrate new acquisitions, get behind the industries technology best practices, and are distracted from their core business purpose. On the other hand, cloud offerings drastically reduce the time to implement new innovations. Software-as-a-Service (SaaS) offerings, the *defacto* service model for the cloud, provide a continuous stream of enhancements which add new functionality, utility refinements, and leaps in performance.

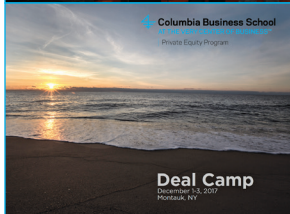
Getting it *right* means closing on a transaction and quickly having accurate and consolidated financial data available in real time. For instance: capitalizing on that opportunity in APJ (Asia Pacific and Japan) because you can immediately handle multi-lingual and multi-currency requirements; initiating vendor rationalization and negotiation; knowing where your human capital investments are and where they need to be; maintaining a consistent interaction with your existing and new customers; etc.

Business Risk Associated with Security, Compliance and Data Privacy

No company can underestimate how important mitigating security, compliance and data privacy risks are. A cloud -based environment is the most effective and efficient way to proactively manage risks associated with these capabilities - see the amount Yahoo, Target, Equifax, etc., have spent on crisis management PR, compensating customers, and lawyering up to protect themselves from further penalties.

Economies of scale allow cloud-based service providers to invest heavily on the state of the art security standards to meet the growing demands of cyber security and intrusion threats - benefiting the customers of these providers. In fact, network security and cybersecurity are considered core competencies of cloud service providers; as one operating partner recently told us, "Security is our *risk and concern*, but it's their (the cloud providers') *business*." Business risk can be mitigated by strategically partnering with a trusted service provider that can demonstrate high standards of security and compliance requirements through certifications and regular external audits.

Inevitably most companies will start their journey with a hybrid model for their digital core, we will explain more about that in Part II of the series.



Columbia Business School's Private Equity Intensive for Professionals

8th Annual Deal Camp in Montauk

Beginning Private Equity at "The End"

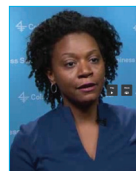
November 29 - December 2, 2018

www8.gsb.columbia.edu/execed/program-pages/details/1390/DC

Each winter 100 members and friends of the Columbia Business School community, including current MBA students, law students, alumni, and industry professionals gather at the oceanfront conference facilities located in Montauk, NY for an innovative seminar/retreat called Deal Camp.

Created by the Private Equity Program in 2011, the driving force for the establishment of Deal Camp was the recognition of the need for current students and those considering a career transition into the private equity industry and related fields to feel better prepared to handle the "nuts and bolts" practical questions that arise in job interviews.

Deal Camp offers interactive presentations and case studies from a variety of industry professionals in an intimate and high-intensity learning environment away from the distractions of everyday school and work life. Each evening culminates in attendees and speakers having a sit-down dinner where they have the opportunity to relax from the day's events.



"When I look back at my experience at Columbia five or ten years, I'm going to remember Deal Camp and the impact it had on my career ... it's going to go down as one of those ... experiences that really had an impact on the way I viewed the world, viewed myself and viewed my career."

"I learned far more than I could have hoped for ... besides having a nice break from NYC noise and pollution."

— First year student

"All speakers [at Deal Camp] were excellent and collectively provided a robust overview on the industry and the deal process. I'm fortunate to have participated in the inaugural session and am certain the conference will be sought after in years to come."

— Second year student

"I had an absolutely tremendous benefit from attending deal camp. I really appreciated the opportunity to meet with current students as well as practitioners in [private equity]."

— Columbia Business School Alum

If you are interested in attending Deal Camp in the future or in becoming a sponsor of Deal Camp please contact: Greta Larson, Senior Associate Director of the Private Equity Program at gl2304@gsb.columbia.edu.

The Private Equity Program at Columbia Business School gratefully acknowledges



KKR
RUBENSTEIN

ALSTON & BIRD LLP



Deal Camp

View the Deal Camp video: <http://bit.ly/2BGXxow>



Upcoming Events 2018

September 20, 2018

Annual PE Program Advisory Board Dinner

November 6, 2018

Partnership event with Women's Association of Venture & Equity (WAVE) Women in Alternative Careers Forum

November 30-December 3, 2018

8th Annual Deal Camp Weekend in Montauk. Contact us for more information, visit our website.

For more information about any of these events, please contact the Program at pep@gsb.columbia.edu

Donna M. Hitscherich
Director,
Private Equity Program
PHONE: 212-854-0763
MOBILE: 917-691-5948
[dmh9@gsb.columbia.edu](mailto:dnh9@gsb.columbia.edu)

Greta E. Larson
Associate Director,
Private Equity Program
PHONE: 212-854-7989
gl2304@gsb.columbia.edu