

**Private Equity: The Asset Class, Its Investments & Its Markets**  
**Course B8394-001-20133**

**Fall 2013**

**Class Session Times: Mondays 4:00PM-7:15PM**

**Class Location: Uris Hall 141**

**Professor: H. Marshall Sonenshine**

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**Course Overview**

This course surveys the private equity asset class emphasizing primarily corporate buyouts and secondarily growth capital. Over the past three decades, private equity has evolved into a global industry approximately \$3 trillion of capital commitments. The industry includes hundreds of well-established private equity firms with differentiated strategies many of which have produced meaningful returns for institutional investors and extraordinary returns for the entrepreneurs who started these companies and invested alongside investors. The characteristics of their strategies and underlying investments have spawned an asset class that has become a requisite portfolio allocation for a broad range of institutional investors. While the financial crisis has inevitably taken its toll on current investments and on the industry, and we will discuss that as well, the industry remains a highly important constituency in financial and corporate markets and one that will continue to evolve as financial markets and macroeconomic change. This course will provide a framework for understanding the industry's evolution to date, its impact on and implications for corporate and financial dynamics, and the trends that will shape its future role.

We will explore the evolution of the private equity market and its players as well as the characteristics that have contributed to its sustainability. We will delve into its impact on other markets – M&A, financing, equity, investor and labor – and its general implications for issues of business strategy, corporate governance and the management of corporations. We will also discuss the complex relationships that private equity firms typically conduct with the portfolio companies they invest in, the management teams with which they partner, the banking, capital markets and financial services industry on which they rely, and other constituencies. We will examine the unique relationship between general partners and limited partners on one side, and between general partners and portfolio companies on the other side, and the perspectives and motivations of each such constituency. Through case analysis, class discussion and role playing, students will develop a comprehensive understanding of each perspective. The building blocks of a private equity firm and the financial environment affecting firms will be evaluated in detail:

- Players, including investors and managers (capital providers) -- focusing on how the modern private equity firm raises capital, aligns interests, builds a track record, reports and communicates with investors, manages conflicts and regulatory issues, and creates an ongoing institutional brand
- Investments (deals) – understanding a company's fundamentals, conducting due diligence, developing an investment thesis, creating a capital structure, assessing and securing leverage, forming a valuation, negotiating, executing on the investment plan and exiting
- Managing the business (people) – creating competitive advantages (team, strategy, deal sourcing), designing economic incentives that are sustainable, managing human capital (deal professionals, operating partners, portfolio company management teams), creating franchise value
- Current Topics – we will discuss how the private equity industry has evolved and changed over time, how financial markets generally and the financial crisis in particular have shaped and affected the industry, and how the current era of portfolio rebalancing and enhanced financial regulation may affect the industry.

It is recommended that students taking this course will have previously completed B6001, B6300 and B6102. Taking B8306 prior to or with this class is also advised. This class will not focus on financial modeling techniques, but it is expected that students will be comfortable evaluating financial statements and developing projections and working with and discussing capital structures used in private equity transactions.

The faculty for this course is Marshall Sonenshine (BA, Brown; JD, Harvard). Professor Sonenshine is a career investment banker who is highly experienced in representing, negotiating with and otherwise working with private equity investors. He has served on Columbia's adjunct faculty since 2009. A typical class will include some lecture style introduction to the topic for the day followed by an active and spirited discussion of the case and other readings and the underlying issues and dynamics.

### **Key Course Topics**

The course includes five key components as follows:

I. Overview of the Private Equity Industry: We will explore the history, terminology, and categories within the asset class, participants, anatomy of funds and partnership agreements, key terms, economics, GP and LP perspectives and negotiations and perspectives of companies. (approximately 3 classes)

II. The Fundamentals of Private Equity Investing: We will examine key elements of understanding a business from a private equity investment perspective, financing, structuring and negotiating a transaction, and managing the portfolio company over the life of the investment up to and including an exit or value realization transaction (approximately 3 classes)

III. Understanding and Evaluating Private Equity Firms In Financial Markets Today: We will consider how the financial community assesses firms and chooses which funds to invest in and how funds assemble portfolios of companies and how LP investors assemble their portfolios of LP interests. Other topics will include understanding and managing LP liquidity options; the rise and role of other alternative investment vehicles, most notably hedge funds and sovereign wealth funds; the publicly traded private equity firm; the impact of the financial crisis and current issues under discussion in the area of financial regulation (approximately 3 classes)

IV. Midterm: We will have an in-class midterm exam during Session #7.

V. Team Investment Memoranda: In lieu of a final examination, students will prepare in teams an individual final paper in the form of an Investment Memoranda assessing a Case provided for this purpose. The Memoranda will synthesize elements from throughout the course.

### **Prerequisites**

Prerequisites for taking Private Equity include a general understanding of finance, the capital markets and basic financial accounting. It is recommended that students considering this course have completed B6001, B6300 and B6102. Taking B8306 prior to or with this class also is advised.

### Course Requirements

This course will comprise lectures and class discussion. Course materials will be a combination of selected text materials, cases, private equity firm source material (fund offering documents, partnership agreements and investment material) and articles. There will be a case packet as well as material posted on the course web site. See attached course bibliography for readings. Students are recommended to purchase the three text books and obtain the casebook.

Class participation is essential. Students will be expected to attend classes and to come prepared and to participate in discussions actively and thoughtfully. Preparation includes reading materials, specific session cases and questions, role playing exercises and team projects. **Readings flagged with the word “case” will be quite specifically analyzed in class, so students should read those especially thoroughly.**

The brief reading response should be approximately three (3) pages double spaced including charts. The cases for consideration are: a) Yale Investment Office: February 2011 and b) The Leveraging of America: LBOs – The Good, The Bad, and the Ugly. A general discussion or essay of the issue(s) each student finds stimulating should be undertaken once the subject piece has been read and considered in class discussion.

There will be an in-class midterm examination.

In lieu of a final examination, there will be a final paper, to be prepared in groups, in the form of an Investment Memorandum analyzing the merits of an acquisition of one of three prepared potential private equity case opportunities. The suggested length of team final paper 15 pages, double spaced including charts. Students will be expected to do their own research and preparation of their recommendation, from the perspectives of company analysis, valuation, potential structuring or financing issues, potential exit or realization issues, and other relevant considerations.

### Method of Evaluation

Class Participation	30%
Brief Reading Response Assignment (1)	10%
Midterm Exam	20%
Final Investment Memorandum	40%

\*The teaching assistants for the class will keep your record of thoughtful comments.

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**PART I: THE INDUSTRY**

An Overview of the Strategies, the Players and the Dynamics

**Session #1: Industry Overview - The Terminology, the Strategies, the Participants**

Class: Monday, September 9, 2013

Time: 4:00PM – 7:15PM

Introductions, course overview and expectations of class participants

Terminology

History of the industry

Overview of private equity strategies

Introduction to the key documents, and the "anatomy" of these materials

Private Equity from the Perspective of Companies

**Required Readings:**

Gilligan & Wright, *Private Equity Demystified: An Explanatory Guide* ICAEW Corporate Finance Faculty, 2<sup>nd</sup> Edition (March 2010) pages 1 – 66.

Lerner, Hardymon, Leamon, "Private Equity Today and Tomorrow" in *Venture Capital & Private Equity* (5th ed.) (2012): 1-12 (Chapter 1).

**Case:** Jensen, "Eclipse of the Public Corporation," *Harvard Business Review* (1989).

**Session #2: The Investors' Perspective to the LP**

Class: Monday, September 16, 2013

Time: 4:00PM-7:15PM

The limited partner (LP) universe

Portfolio management approaches and asset allocation

Introduction to performance assessment

Introduction to fund selection

Alignment of incentives and the Limited Partnership Agreement (LPA)

Liquidity and the secondary market for private equity

**Required Readings:**

Fraser-Sampson, *Private Equity as an Asset Class* (Wiley 2007), Chapters 1-3.

Meyer & Mathonet, *Private Equity Fund Structure: in Beyond the J-curve: Managing a Portfolio of Venture Capital and Private Equity Funds* (2005): 27-40 (Chapter 3).

**Case:** Harvard Business School "Yale University Investments office: February 2011"

**Session #3: The General Partners' Perspective to the GP**

Class: Monday, September 23, 2013

Time: 4:00PM-7:15PM

The general partner (GP) universe  
The components of the firm  
Introduction to firms' competitive advantage and sources of alpha  
Introduction to capital raising  
Negotiating the LPA, from the perspective of the GP  
“Partner to Management” – What Does it Mean?

Required Readings:

Lerner, Hardymon, Leamon, "Note on Private Equity Partnership Agreements," in *Venture Capital & Private Equity* (5th ed.) (2012): 66-76 (Chapter 5).

Meyer & Mathonet, "Portfolio Design," in *Beyond the J-curve: Managing a Portfolio of Venture Capital and Private Equity Funds* (2005): 81-94 (Chapter 8).

**Case:** Bear Stearns Merchant Banking Partners III (private placement memorandum).

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**PART II: TRANSACTION FUNDAMENTALS**

An Overview of Due Diligence, Capital Structure and Company Valuation

**Session #4: Conducting Due Diligence. Analyzing the Company and Considering the Capital Structure**

Class: Monday, September 30, 2013

Time: 4:00PM-7:15PM

The deal process and the participants  
Conducting due diligence on companies  
The Financial Model -identifying key variables and value drivers  
Analyzing comparables  
Capital Structure and Introduction to leveraged finance  
Valuation

Required Readings:

Gilligan & Wright, *Private Equity Demystified: An Explanatory Guide* ICAEW Corporate Finance Faculty, 2<sup>nd</sup> Edition (March 2010) pages 71-123

Cornelius, Juttman, and De Veer, "Industry Cycles and the Performance of Buyout Funds." *Journal of Private Equity*, 2009. 12.4:14-21.

**Case:** Tuck School Case Study #5-0004 (Note on Leveraged Buyouts) (2003).

**Case:** Lerner, Hardymon, Leamon, - "Investcorp and the Moneybookers Bid" in *Venture Capital & Private Equity* (5<sup>th</sup> ed.) (2012): 219-234 (Chapter 15).

**Case:** Sonenshine, BevMo case (short case)

**Session #5: Valuation and Negotiation**

Class: Monday, October 7, 2013

Time: 4:00PM-7:15PM

Discussion of valuation approaches  
Identifying components of strategic plan and operating improvements  
Potential Exit or Realization Strategies  
Implications of the New Construct for Management and Governance of the Corporation

Required Readings:

Sonenshine, Valuation Slides

Lerner, Hardymon, Leamon, "Note on Valuation in Private Equity Settings," in Venture Capital & Private Equity (5th ed) (2012): 181-200 (Chapter 13).

**Case:** Sonenshine, 1-800 Contacts Case

**Session #6: Perspectives on Leveraged Finance**

Class: Monday, October 14, 2013

Time: 4:00PM-7:15PM

Leveraged finance market

Financing buyout transactions

Required Readings:

Sonenshine, "M&A Markets, Terms and Outlook Post Financial Crises".

Meerkatt, Heino and Liechtenstein, Heinrich, "Time to Engage – or Fade Away." Boston: BCG & IESE, 2010

**Case:** Standard & Poor's, "The Leveraging Of America: LBOs -The Good, the Bad, and the Ugly"(2007):1-22

**Case:** Matthew Rhodes-Kropf, Josh Lerner, Ann Leamon, "Iris Running Crane: December 2009"

**Case:** Cohn, Mills & Towery, "The Evolution of Capital Structure and Operating Performance after Leveraged Buyouts" (University of Texas, August 2011)

**NO CLASS OCTOBER 21**

**Session #7: Midterm Examination**

Class: Monday, October 28, 2013

Time: 4:00PM-7:15PM

The exam is 2 hours.

There will be a 1 hour modeling tutorial.

**NO CLASS NOVEMBER 4**

**Session #8: The Company Experience and the New Partnership -- Executing the Plan, Monitoring, Governance and Managing the Exit Process**

Class: Monday, November 11, 2013

Time: 4:00PM-7:15PM

Backing management

Monitoring the investment and board composition

Implementing strategy and the role of operating partners

Assessing the exit strategy

Required Readings:

Tuck, Note on Exits, Case #5-0022 (Dec 15, 2004)

Sonenshine, "The Business of Politics, The Debate Over Romney at Bain is Wholly Irrelevant"

**Case:** Kaplan, Klebanov, Sorensen, "Which CEO Characteristics and Abilities Matter?" Working Paper (July 2008)

**Case:** Joseph Calandro, Jr., "Taking Burlington Northern Railroad Private," Journal of Private Equity, Fall 2010, p.8-16

**Case:** Lerner, "Francisco Partners" HBS Case 9-200-063 (2000).

**PART III: THE PRIVATE EQUITY FIRM**

Identifying Top Tier Performance, Raising Capital, Managing the Firm and Evolving the Business Model

**Session #9: The Search for Alpha - Evaluating Private Equity Firms**

Class: Monday, November 18, 2013

Time: 4:00PM-7:15PM

Sources of alpha

Fund investment strategy and competitive advantage

Analyzing track record -assessing the realized and unrealized performance

Alignment of incentives

Required Readings:

**Case:** Sonenshine, "The Curious Case of Dell".

Meyer & Mathonet, "Fund Manager Selection Process," in Beyond the J-curve: Managing a Portfolio of Venture Capital and Private Equity Funds (2005): 193-218 (Chapter 14).

**Case:** Kaplan & Schoar, "Private Equity Performance: Returns, Persistence, and Capital Flows", The Journal of Finance Vol. LX, No.4 (August 2005): 1791-1823.

**Case:** Harris, Jenkinson, Kaplan & Stucke, "Has Persistence Persisted in Private Equity?" (Working paper, April 2013).

**Session #10: Raising Capital and Managing the Business**

Class: Monday, November 25, 2013

Time: 4:00PM-7:15PM

The Firm as an Operating Business: Mission, Core Competencies, Ops

Human capital management and structuring economic incentives

Reporting, monitoring and the management of investor relations

Brand Management: What does the Firm Stand For?

Required Readings:

Lerner, Hardymon, Leamon, "Note on the Private Equity Fund-Raising Process," in Venture Capital & Private Equity (5th ed) (2012): 98-104 (Chapter 7).

**Case:** Lerner, Schaar, Wongsunwai, "Smart Institutions, Foolish Choices: The Limited Partner Performance Puzzle," The Journal of Finance Vol. LXII, NO.2 (April 2007) (overview reading).

**Case:** DeGeorge, Martin & Phalippou, "Is the Rise of Secondary Buyouts Good News for Investors" (Working paper, January 2013)

**Case:** El-Hage, Ruback, Pierson, "ABRY Fund V" HBS Case 9-208-027 (2008).

**Session #11: Current Topics In Private Equity: Bubble and Crisis Period**

Class: Monday, December 2, 2013

Time: 4:00PM-7:15PM

Secondary market for private equity

Emerging markets and sovereign wealth funds

Tax and Data Regulatory Issues Affecting or Potentially Affecting the Industry

The Financial Crisis and Implications for Private Equity

Required Readings:

**Case:** Lerner, Hardymon, Leamon, "Blackstone IPO" (5th ed.) (2012): 500-524(Chapter 28).

Scott D. Peterman and Doris Lai, "From the Ashes Risen: Private Equity Secondary Funds Take Flight." Journal of Private Equity, 2009. 12.4:29-34.

**Case:** Pappas, Allen, and Schalock, "Why PE Firms are Restructuring (and Not Just Their Portfolio Companies)." Journal of Private Equity, 2009. 12.4:22-28.

**Case:** "Paul Capital Partners: Secondary LP Investing".

**Session #12: Financial Reform and Current Outlook**

Class: Monday, December 9, 2013

Time: 4:00PM-7:15PM

Continuation of Current Topics

- PE in Changing Global Markets
- Financial Reform

Review and Discussion of Final Papers

**Required Readings:**

**Case:** Fang, Ivashina, and Lerner, “An Unfair Advantage? Combining Banking with Private Equity.” April 14, 2010, (Working paper May, 2010).

Sonenshine, Marshall, “Now We Are All Reformers, A View of US Financial Reform” January, 2011.

Gary Gibbons & Heather M. Stone, “PE Managers as Registered Investment Advisers,” Journal of Private Equity, Winter 2011, p.8-15

McKinsey Quarterly, “McKinsey Conversations with Global Leaders: David Rubenstein of The Carlyle Group.” May, 2010.

Bain & Co., Global Private Equity Report 2012 (please skim)



**I. Required Course Textbooks** (*Students are recommended to purchase the first three books*):

Fraser-Sampson, Guy *Private Equity as an Asset Class*. West Sussex: John Wiley & Sons, 2007.

Lerner, Josh, Felda Hardymon, & Ann Leamon. *Venture Capital and Private Equity*. New York: John Wiley & Sons, 2012. 5<sup>th</sup> Edition

Meyer, Thomas & Pierre-Yves Mathonet. *Beyond the J Curve*. West Sussex: John Wiley & Sons, 2005

Gilligan & Wright, *Private Equity Demystified: An Explanatory Guide* ICAEW Corporate Finance Faculty, 2<sup>nd</sup> Edition (March 2010)

**II. Articles** (*to be included in the case book*):

Bain & Co., global Private Equity Report 2012 (please skim)

Gary Gibbons & Heather M. Stone, "PE Managers as Registered Investment Advisers," *Journal of Private Equity*, Winter 2011, p.8-15 Joseph Calandro, Jr., "Taking Burlington Northern Railroad Private," *Journal of Private Equity*, Fall 2010, p.8-16

Jensen, Michael C. "Eclipse of the Public Corporation." *Harvard Business Review* 1989

"Public Value: A Primer on Private Equity" from <http://www.privateequitycouncil.org/research-library/white-papers/>, Private Equity Council, 2008.

Harvard Business School: "Yale University Investments office: February 2011"

Meyer & Mathonet, Private Equity Fund Structure: in *Beyond the J-curve: Managing a Portfolio of Venture Capital and Private Equity Funds* (2005): 27-40 (Chapter 3).

Kojima, Christopher, "The Secondary Market for Private Equity, *Journal of Alternative Investments*" 2003.

Lerner, Hardymon, Leamon, "Note on Private Equity Partnership Agreements," in *Venture Capital & Private*

*Private Placement Memorandum for Bear Stearns Merchant Banking Partners III*.

Tuck School of Business Case: "Note on Leveraged Buyouts" (Prepared by John Olsen and updated by Salvatore Gagliano under the supervision of Adjunct Assistant Professor Colin Blaydon, 2003)

Lerner, Hardymon, Leamon, "Tad O'Malley: June 2005," in *Venture Capital & Private Equity* (4th ed) (2009):165-182 (Chapter 10).

Cornelius, Peter, Karlijn Juttman, and Robert De Veer, "Industry Cycles and the Performance of Buyout Funds." *Journal of Private Equity* 2009.12.4:14-21.

Sonenshine, Marshall. "BevMo" case (materials to be posted).

Sonenshine, Marshall, "The Business of Politics The Debate Over Romney at Bain Is Wholly Irrelevant"

Sonenshine, Marshall, "Now We Are All Reformers, A View of US Financial Reform" January, 2011.

Matthew Rhodes-Kropf, Josh Lerner, Ann Leamon, " Iris Running Crane: December 2009"

Cohn, Mills & Towery, "The Evolution of Capital Structure and Operating Performance after Leveraged Buyouts" (University of Texas, August 2011)

Riccio, Nicholas D and Sullivan, Alison. "The Leveraging of America: LBOs – The Good, The Bad, and the Ugly" in Standard & Poor's RatingsDirect, November 26, 2007.

Sonenshine, Marshall, "1-800 Contacts."

Sonenshine, Marshall, "Introduction to Riding out the Storm."

Lerner, Hardymon, Leamon, "Note on Valuation in Private Equity Settings," in *Venture Capital & Private Equity* (5th ed) (2012): 181-200 (Chapter 13).

"Riding out the Storm: Best Practices for PE Firms." Merrill Corporation Research Report June, 2010.

Sonenshine, Marshall, "M&A Markets, Terms and Outlook Post Financial Crises."

Meerkatt, Heino and Liechtenstein, Heinrich, "Time to Engage – or Fade Away." Boston: BCG & IESE, 2010.

Current Leveraged Finance Market Conditions (to be posted before class).

Kaplan, Klebanov, Sorensen, "Which CEO Characteristics and Abilities Matter?" Working Paper, July 2008 (overview reading).

Lerner & Hardymon, Chedders Case, Chapter 14.

Karlsson, Per-Ola and Neilson, Gary, "CEO Succession 2008: Stability in the Storm." *Strategy & Business*, Issue 55, May 26, 2009.

Scholes, Louise, Mike Wright, Paul Westhead, Hans Bruining, and Oliver Kloeckner, "Family-Firm Buyouts, Private Equity, and Strategic Change." *Journal of Private Equity*, 2009. 12.2:7-18

HBS Case: "Francisco Partners" (Prepared by David Gallo under the supervision of Professor Josh Lerner, 2000). HBS Case #: 9-200-063 (2000).

Sonenshine, "The Curious Case of Dell".

Kaplan, Steven N. and Schoar, Antoinette "Private Equity Performance: Returns, Persistence, and Capital Flows" *The Journal of Finance*, Vol. LX, No. 4, August 2005.

Harris, Jenkinson, Kaplan & Stucke, "Has Persistence Persisted in Private Equity?" (Working paper, April 2013).

Lerner, Josh et al. "Smart Institutions, Foolish Choices: The Limited Partner Performance Puzzle" in *The Journal of Finance*, Vol. LXII, No. 2, April 2007.

Degeorge, Martin & Phalippou, "Is the Rise of Secondary Buyouts Good News for Investors" (Working paper, January 2013)

Lerner, Hardymon, Leamon, "Tad O'Malley: Dec. 2004, in "Venture Capital & Private Equity" (4<sup>th</sup> ed.) (2009):13-28 (Chapter 2).

Lerner, Hardymon, Leamon, "A Note on Private Equity Fund-Raising," in *Venture Capital & Private Equity* (4th ed) (2009): 112-118 (Chapter 7).

HBS Case: "ABRY Fund V" (Prepared by Professors Nabil N. El-Hage and Richard S. Ruback, 2007, 2008)

Kojima, Christopher, Liquidity Solutions for Portfolios of Direct Investments, Routes to Liquidity (2004).

Peterman, Scott D. and Lai, Doris, "From the Ashes Risen: Private Equity Secondary Funds Take Flight." Journal of Private Equity 2009. 12.4:29-34.

David S. Scharfstein "Paul Capital Partners: Secondary LP Investing" (Case)

Pappas, Greg J., Isabella Allen, Anneli Schalock, "Why PE Firms are Restructuring (and Not Just Their Portfolio Companies)." Journal of Private Equity 2009.12.4:22-28.

Fang, Lily, Victoria Ivashina, , & Josh Lerner, "An Unfair Advantage? Combining Banking with Private Equity Investing." April 14, 2010, (working paper).

Josh Lerner, G. Felda Hardymon and Ann Leamon: "Milliway Capital: Battening Down the Hatches"

McKinsey Quarterly, "McKinsey Conversations with Global Leaders: David Rubenstein of The Carlyle Group." May, 2010.

J. Finley, "How Financial Reform Will Impact Private Equity and Hedge Funds." Harvard Law School Forum on Corporate Governance and Financial Regulation, June 8, 2010.

Tuck, Note on Exits, Case #5-0022 (Dec 15, 2004)

### **III. Additional Bibliography Items for Reference** *(Not required):*

Kaplan, Steven N. and Strömberg, Per Leveraged Buyouts and Private Equity, electronic copy available at:  
<http://ssrn.com/abstract=1194962>

Goldman Sachs Asset Management: "A Practical Guide to Managing Private Equity Commitments" in Strategic Research, June 2007

Ketterer, Gwyneth and Edwab, David "Private Equity Board Best Practices: A Lesson for Public Boards" in NACD – Directors Monthly, March 2008.

Beroutsos, Andreas et al. "What Public Companies Can Learn from Private Equity" in McKinsey on Finance, Number 22, Winter 2007.

Kojima, Christopher and Clark, Geoffrey. "Opportunities and Challenges in Secondaries: Investing in the Secondary Market for Private Equity" in The Journal of Alternative Investments, Summer 2003. Pages 74-86.

"The Advantage of Persistence: How the Best Private-Equity Firms 'Beat the Fade'" electronic copy available at:  
[http://www.bcg.com/impact\\_expertise/publications/files/Private\\_Equity\\_Feb\\_2008.pdf](http://www.bcg.com/impact_expertise/publications/files/Private_Equity_Feb_2008.pdf)

"Get Ready for the Private-Equity Shakeout" electronic copy available at:  
[http://www.bcg.com/impact\\_expertise/publications/files/Get\\_Ready\\_Private\\_Equity\\_Shakeout\\_Dec\\_2008.pdf](http://www.bcg.com/impact_expertise/publications/files/Get_Ready_Private_Equity_Shakeout_Dec_2008.pdf)

Griffiths, Barry "Investing in Private Equity" in Modern Investment Management: An Equilibrium Approach, Hoboken, NJ. John Wiley & Sons Inc, 2003. Chapter 28.

Mathonet, Pierre-Yves and Meyer, Thomas J Curve Exposure: Managing a Portfolio of Venture Capital and Private Equity Funds, West Sussex, England: John Wiley & Sons Ltd, 2007. Chapters 3, 8, 10, 15.

Schell, James M. Private Equity Funds: Business Structure and Operations, New York, NY: Law Journal Press, 2000.

Selected public SEC filings also will be incorporated in Section II and III

Selected ancillary articles and other material will be posted on Angel throughout the course.

“CalSTRS’ Private Equity Program: Semi-Annual Report” (as of March 31, 2008), electronic copy available at:  
<http://www.calstrs.com/publicdocs/Page/CommonPage.aspx?PageName=DocumentDownload&Id=05d33782-87f3-4bef-9b3a-1806eba7622a>

Gottshalg, Oliver Private Equity and Leveraged Buy-outs, electronic copy available at:  
<http://www.privateequitycouncil.org/wordpress/wp-content/uploads/gottschalg-eu-parliament-study.pdf>

Shapiro, Robert J. and Pham, Nam D American Jobs and the Impact of Private Equity Transactions, electronic copy available at:  
<http://www.privateequitycouncil.org/wordpress/wp-content/uploads/pec-jobs-study-01-17-08.pdf>

“The Economic Impact of Private Equity in the UK” electronic copy available at:  
[http://www.bvca.co.uk/publications/economic\\_impact\\_2007.pdf](http://www.bvca.co.uk/publications/economic_impact_2007.pdf)

“How Do Private Equity Investors Create Value? A Global Study of 2007 Exits; Beyond the Credit Crunch” electronic copy available at: [http://www.ey.com/global/content.nsf/International/Perspectives\\_-\\_Private\\_Equity\\_-\\_Value\\_Creation](http://www.ey.com/global/content.nsf/International/Perspectives_-_Private_Equity_-_Value_Creation)

Globalization of Alternative Investments: The Global Impact of Private Equity Report 2008, Working Papers Volume 1, New York, NY: World Economic Forum, 2008. [http://www.weforum.org/pdf/cgi/pe/Full\\_Report.pdf](http://www.weforum.org/pdf/cgi/pe/Full_Report.pdf)

Interesting research papers at: <http://www.privateequitycouncil.org/research-library/>

Good listing of private equity firms: <http://www.privateequity.com/>