

ADDING VALUE TO PE PORTFOLIOS

Bob Taylor of Advent International talks about his experience with Alexander Proudfoot

In a challenging and unpredictable market, PE firms need to evolve their capability to create value. Advent International has a history of doing just that on a global basis. What does this PE firm look for in an operational improvement partner?

According to Bob Taylor, managing partner at Advent's North American team, "We look for people with very good listening skills and the interpersonal skills to work well with a variety of management teams. There are two clients to satisfy; us and the company we have equity in. They need to have the intuition and sensitivity to be adaptable and flexible in their approach.

"To those attributes, I would add a strong ability to establish and maintain trust."

Advent recently introduced Alexander Proudfoot to one of its portfolio

companies, Long Term Care Group (LTCG), the leading provider of outsourced services to the US long-term-care insurance sector.

"I've been hugely impressed by Proudfoot's work. The level and depth of analysis they did during the LTCG business review was quite extraordinary, it just blew me away. I think they bring a skill set you're not going to find with other firms; not just intellectual but pragmatic skills – the kind of experience you only get from working in lots of companies across many industries," he says.

At LTCG, Advent took the time to explain to management that introducing Proudfoot was not an admonishment, rather a signal of confidence, a willingness to invest in them.

"Existing managers have their day jobs to do. Even if they had the requisite skills, they are unlikely to be able to

take on an entire operations review and subsequent change program, and do it with the kind of rigor and momentum required. A firm like Proudfoot does this for a living but cannot really operate without a licence to do so from incumbent managers – they're the ones who know the business intimately, warts and all," points out Taylor.

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"In eighteen years in private equity I've never seen an operating system as good as the one Proudfoot installed at LTCG. Today LTCG has about 20 managers who've really seen their learning and skill levels soar. "Proudfoot has really invested significant time to get to know Advent. We continue to work with the same Proudfoot professionals over and over again, and it's a great way to build a partnership with longevity," he concludes.

Alexander Proudfoot has served leading Private Equity firms including:

- Avista
- Bain Capital
- Invista
- Candover
- Tontine Associates
- 3i
- Odyssey
- Cerberus
- JP Morgan

