



Apax
PARTNERS

KnowledgeNow Conference Pressure Points

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Tackling today's
biggest threats
to business

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Pressure Points

7th
annual
KnowledgeNow



The theme of our seventh annual KnowledgeNow Conference, “Pressure Points”, explored the complex combination of internal and external forces that executives must navigate to evolve and grow their enterprise.

The event combines the open sharing of knowledge between the Apax Funds’ portfolio companies in attendance with the tools and experience of the Operational Excellence Practice (OEP) to generate actionable insights.

Driving growth through operational excellence

"

Benign economic conditions, a plentiful supply of financing and record stock-markets have driven corporate valuations on both sides of the Atlantic to unsurpassed levels. Against this backdrop, the ability to materially accelerate portfolio growth is a crucial factor in driving returns."

Andrew Sillitoe
Co-CEO, Apax Partners



Operational improvements have accounted for circa

80%

of the value creation within recent Apax Funds' investments¹

The fact that the OEP has been our fastest-growing team in recent years is real proof of the value it creates for management teams, portfolio companies and ultimately the investors who commit to our funds.





The Inside-Out View

Tackling today's biggest
threats to business

Time, talent and energy

"

Given the relative abundance of capital, why do only one in eleven companies continually create sustained value?"

Eric Garton
Bain



According to Bain's Eric Garton, productive people are the key difference in sustained out-performance:

"The best companies generate about 40% more productive output than average companies."

In his work with some of the world's largest businesses, Garton focuses on three decisive factors: time, talent and energy. Garton believes that the winning companies of the future are going to be the human capital leaders. They're going to be the companies that know how to access their scarcest resource: the time, talent and energy of their workforce.

Time

Treat employee time like financial capital – a precious and finite asset.



Talent

The best talent is between 2 and 12x more productive than average. Ensure they are in the right positions to multiply this impact.



Energy

Great companies create energy every day, bad companies destroy it. Aim far higher than engagement. Aim for inspiration.



Driving Sales Effectiveness



Frank Lord, current Chief Revenue Officer at Aptos, a retail-focused enterprise software firm and Apax Funds portfolio company, and a veteran at building and accelerating sales strategies, spoke on the psychology of motivating sales operations.

What to do

Narrow the pipeline

Focus your salespeople on an absolute maximum of 25 clients. Implore them to spend quality time with those clients, to find out what's keeping them up at night.

Empower the people doing the selling

Customers quickly sense when sales people don't have the authority to do the deal. Empower your sales team by driving authority down.

Measure every point of the pipeline

Don't just measure end-of-year outcomes; hold salespeople accountable for every part of the funnel. A healthy early-stage pipeline is the only way to produce consistent results.

“

What not to do

It's simple,” says Lord: “Broad territories, annual targets and high-level decision-making authority lead to poor client engagement, slow reaction times and missed sales targets.”

Frank Lord
Chief Revenue Officer, Aptos

Digital transformation at Boats Group

When CEO Sam Fulton joined Boats Group, an Apex Funds portfolio company, in 2016, he devised one singular mission: “Leverage technology to make it easier to buy and sell boats.”

Behind this clear mission was an ambition to totally transform the company from a dispersed spin-out using legacy technology to a unified and focused group with a common culture and clear mission. Fulton stripped back the myriad projects, to focus on a vital few that would move the needle.

Get your people right

01

“We had a lot of people that knew lots about boats but not much about technology. We upgraded seven out of eight top positions in the first year to bring in the digital leadership and energy we need to drive transformation.”

Sam Fulton
CEO, Boats Group



Transformation tips

Talk to your customers

02

The company had basically stopped having real conversations with its customers. If you're going to transform a business, never lose sight of your customer.

Put data at the centre

03

Listen to the data, not your gut. Keep everything you're legally allowed to keep because you never know what questions will need answering tomorrow.

Invest in the right tech

04

Alongside the OEP, the company has transformed its approach to technology by making smart investments in cloud migration, ad-servers, new apps and testing. Build for the future. If you don't know, find someone who does.

Amazon

The elephant in every room



Piet Coelewijn, CEO of Dutch online retailer Wehkamp, an Apex Funds portfolio company, knows a thing or two about Amazon having spent years working there alongside Jeff Bezos to develop the European strategy.

When Coelewijn took the reins at Wehkamp, he worked to conduct a thorough assessment of Amazon's current capability and likely future strategy for the Netherlands.

Instead of trying to replicate Amazon and be all things to all people, Wehkamp focused on its core family demographic, fine-tuning its service offering for busy mothers, who Coelewijn calls the "CEOs of the Dutch household".

In the case of Wehkamp, the looming threat of Amazon has helped it to sharpen its focus on core customers and use its superior knowledge of this audience to identify areas where it can provide a better or more exclusive service and put clear blue water between its offering and that of the US giant.

Amazon's share of US e-commerce dollars in 2016

53%²

Market capitalization³

Amazon	\$457.89 bn
Walmart	\$231.28 bn
The Home Depot	\$188.98 bn
Costco	\$75.31 bn
Lowe's	\$73.10 bn
Target	\$30.53 bn
Kroger	\$26.59 bn
Best Buy	\$15.73 bn

Invent Farma

A smooth transition



In the last 12 months we have successfully created a corporate centre, achieved the IT integration, identified all our procurement synergies, implemented the business efficiency plan and installed the Project Management Office."

Stephan Walz
CEO, Invent Farma

Following a complex merger, the OEP has helped the CEO of Invent Farma, Stephan Walz, to create a European champion in the fragmented market for generic central nervous system (CNS) pharmaceuticals.

After Stephan arrived and found he needed three different laptops with three different email addresses, the reality of the task began to hit home. In order to manage the integration and get back on the acquisition track, he realized he would need help. "I called the OEP and basically said: 'I have a problem, could you help me?' We desperately needed interim management, a new IT platform and systems to consistently monitor what was going on financially."

The Unilabs transformation story

A consortium led by the Apax Funds acquired Unilabs in 2007. Following a successful series of acquisitions, the company's performance began to deteriorate in the face of pricing declines and increased competition. In 2013, the consortium appointed new CEO Jos Lamers to return the company to growth.

The turnaround that Jos and his new management team accomplished was so successful that, in late 2016, the Apax Funds renewed their long-term commitment to the business by investing significant new capital and buying out their consortium partners.

The results

“Private equity ownership is great for a company like ours because objectives are clear and aligned and you can create something really, really great within a defined timescale. Over the last seven months, we have done 10 M&A transactions and have a strong pipeline. We are now on track to realize our ambition of becoming a €2 billion company in about three years.”

Jos Lamers
CEO, Unilabs

The Outside-In View

Navigating today's geopolitical challenges with The Rt. Honourable David Cameron, Fmr. Speaker John Boehner, and Fmr. Irish Taoiseach John Bruton





Disjointed environments



John Boehner
Former US Speaker of the
House of Representatives

We were honoured to be joined by former UK Prime Minister David Cameron, former Irish Taoiseach John Bruton, and former US Speaker of the House of Representatives John Boehner, three political leaders who are uniquely placed to make sense of today's political paradoxes and share their thoughts on the road ahead.

All three of our distinguished guests remarked on the disjoint between the economic and political environment in which businesses are operating.

The rising tide of populism



The shifts in attitude that underpin populism are well documented: a lack of trust in elites of all stripes, a crisis of faith in global capitalism and the perception and reality of rising inequality. The political impact of these shifts has already been profound.

David Cameron sees this **populist uprising** as one of the **gravest threats** facing the global recovery.

“

We face a roadblock that is potentially as debilitating as the financial crash itself, and it's what I would call The Populist Myth. This is the theory that because we're not there yet, because globalization isn't working for everyone, we should dispense with all the things that have served us well.”

David Cameron
Former UK Prime Minister

Globalization under attack

"

Globalization and trade are good for us. I think political leaders need to become more positive about the good that's being done by the current system."

John Bruton
Former Irish Taoiseach



For Bruton, this retreat from the global order to the zero-sum-game of national self-interest is the biggest threat from populism: "We could see the breakdown of the rule-based system that has been responsible for our prosperity over the last 50 years."

Addressing the challenge

"

I don't believe we should ignore the concerns that have fueled the populist rise. This anti-globalization sentiment comes from the hopes and fears of real people."

David Cameron
Former UK Prime Minister



Who's who?



Conference speakers

- Seth Brody**
Partner, Apax Partners
- John Bruton**
Former Taoiseach of Ireland,
EU Ambassador to the United States
- Velina Butti**
Senior Associate, Portfolio Efficiency,
Apax Partners
- David Cameron**
Former Prime Minister,
United Kingdom
- Piet Coelewij**
CEO, Wehkamp
- Sam Fulton**
CEO, Boats Group
- Eric Garton**
Partner, Bain & Company
- Marcelo Gigliani**
Managing Partner, Apax Digital
- Marty Guinoo**
Operating Executive, Apax Partners
- Will Harman**
Vice President, Portfolio Efficiency,
Apax Partners
- Jessica Kuess**
Vice President, Digital, Apax Partners
- Jos Lamers**
CEO, Unilabs
- Frank Lord**
Chief Revenue Officer, Aptos, Inc.
- Ben Nelson**
Vice President, Cloud Security, Oracle
- Dan O'Keefe**
Managing Partner, Apax Digital
- Laef Olson**
Operating Advisor, Enterprise
Technology, Apax Partners
- Andrew Sillitoe**
Co-Chief Executive Officer,
Apax Partners
- Jon Simmons**
Operating Executive, Digital,
Apax Partners
- Stephan Walz**
CEO, Invent Farma/neuraxpharm

Conference attendees

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- Giancarlo Aliberti**
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- Pablo Alvarez Cascos**
Chief Technology Officer, idealista
- Luke Anderson**
SAP Private Equity EMEA, SAP
- Marz Ayyad**
EMEA Lead – NetSuite PE Practice,
NetSuite
- Arya Barirani**
Chief Marketing Officer, GlobalLogic
- Bryan Belanger**
VP Technology, Ideal Protein
- Mark Binney**
Partner, PwC
- Martijn Bonte**
Director Supply Chain & Operational
Excellence, Wehkamp
- Ron Books**
CEO, ECI Software Solutions
- Blake Booysen**
Chief Financial Officer, Wehkamp
- Arthur Brothag**
Partner, Apax Partners
- Burghard Burczyk-Adelsberger**
Corporate Director Technical Operation,
Invent Farma/neuraxpharm
- Edward Burgers**
Procurement and Facilities
Manager, Exact
- David Burgess**
Senior Associate, Search Technologies,
Apax Partners
- Vincent Chippari**
Chief Financial Officer,
Duck Creek Technologies
- James Clough**
Partner, Seyfarth Shaw LLP
- Dave Cook**
Executive Chairman, TradeGlobal
- Albert Costa**
Principal, Apax Partners
- Martyn Curragh**
Chief Financial Officer, PwC

Conference attendees continued

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Managing Director, Taylor Winfield

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Partner, Apax Partners

Frank Ehmer
Partner, Apax Partners

Gary Enzor
Chairman & CEO, Quality Distribution

Sean Epstein
Head of Private Equity, EMEA, SAP

Kenneth S. Esterow
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ECi Software Solutions

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Relations, Tivit

Paul Fuhrman
Partner, Ernst & Young

Bryan Gartner
Principal, Apax Digital

Serge Gautreau
Chief Operating Officer, Ideal Protein

Jason Glaun
Operating Advisor, IT Transformation,
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Apax Partners

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Chief Operating Officer, idealista

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Chief Operating Officer, EASIBUY

Milind Patwardhan
Senior Vice President, Business
Development, GlobalLogic

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Partner, Apax Partners

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NetSuite

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EVP, Chief Financial Officer,
GENEX Services

Chaitanya Rajebahadur
Senior Vice President and Head of
Europe, Zensar Technologies

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Chief Operating Officer,
Syneron-Candela

Michael Weyrich
Partner & Managing Director,
AlixPartners

Daniel Wiest
Global Chief Financial Officer,
Invent Farma/neuraxpharm

Stephan Williamson
AVP, Northern Europe,
Salesforce Commerce Cloud

Nick Wilski
Senior Vice President,
Macquarie Group

Tony Young
Chief Investment Officer, Sophos

The Operational Excellence team

Seth Brody
Partner



Seth Brody is a partner and Global Head of the OEP. He has been with Apax since 2008 based in the New York office. Prior to joining Apax, he held several executive operating positions in digitally focused enterprises including roles as Executive Vice President and General Manager at Razorgator Interactive Group, Group Vice President and General Manager at Orbitz Worldwide, Director of Marketing at priceline.com, and Product Manager at Netmarket Group, Inc.

During his time at Apax, Seth has served in interim management positions across the Apax portfolio including roles as the Chief Executive Officer of FULLBEAUTY Brands, Chief Marketing Officer at Trader Canada Corporation, and Chief Information Officer at Netrada Management GmbH. Seth currently serves on the Boards of Directors for FULLBEAUTY Brands and Aptos, Inc, and was previously a director at Bankrate, Inc.

Jon Simmons
Operating
Executive, Digital



Jon Simmons is an Operating Executive in the OEP. He joined Apax Partners in 2012 and is based in New York.

Prior to joining Apax, Jon was the Founder and Principal at Clearsearch Media, where he led digital strategy for a diverse portfolio of clients ranging from early stage ventures to global companies. Prior to founding Clearsearch in 2006, Jon was the Director of Marketing Operations at Walkaway Media, an online lead aggregator in the travel industry, and also held various positions at priceline.com.

Marty Guinoo
Operating Executive



Marty Guinoo is an Operating Executive in the OEP. He joined Apax Partners in 2016 and is currently based in the US. Marty has been the CEO of several different businesses including Sentient Jet and Icon Parking. Since joining Apax, Marty has established the Mergers, Integration and Carve-out practice.

The Attenti, Boats Group, Duck Creek and Vyaire carve-outs are a few of the transactions that Marty's team have supported in his tenure at Apax. They've also been actively engaged in due diligence to assess the operational viability of complex carve-outs and integrations. He also oversees the Portfolio Efficiency group within the OEP. This team works with operating executives on projects that range anywhere from supply chain optimization to pricing strategy.

Tanuja Randery
Operating
Executive



Tanuja Randery is an Operating Executive on the OEP. She joined Apax Partners in 2017 and is currently based in London.

Before joining Apax, Tanuja Randery was CEO, UK & Ireland for Schneider Electric, the global energy management and automation firm responsible for a €1 billion business across Technology, Buildings, Power and Industry. She is also a Non-Executive Director on the Board of Proximus Group, the Belgium telecommunications and services company. Prior to Schneider, she spent 10+ years in telecommunications and managed services at Colt Technology Services, a leading pan-European telecoms provider, and most recently as President of Strategy & Transformation. Tanuja started her career at McKinsey, where she spent seven years specializing in technology and telecoms growth and sales strategy serving leading global companies.

Will Harman
Vice President,
Portfolio Efficiency



Will Harman is a Vice President in the OEP. He joined Apax Partners in 2014 and is currently based in London.

Prior to joining Apax Partners, Will worked for PA Consulting Group where he led procurement restructuring, cost reduction and supply chain risk management programmes for clients including BP, BAE Systems, and Aston Martin. Will was previously a supply chain consultant at PwC and has led major procurement programmes at Jaguar Land Rover.

Jessica Kuess
Vice President,
Digital



Jessica Kuess is a Vice President in the OEP. She joined Apax Partners in 2014 and is currently based in New York.

Prior to joining Apax Partners, Jessica was a member of the Strategic Development team in Ralph Lauren's Global Digital and E-commerce Group. She also worked as an investment banking associate and analyst at Citigroup in the Global Industrial Group in New York.

Jaimee Michaud
Vice President,
Digital



Jaimee Michaud is a Vice President in the OEP. She joined Apax Partners in 2017 and is currently based in New York.

Prior to joining Apax Partners, Jaimee was Senior Director in the Analytics group at Shutterfly, Inc with a focus on mobile business. She also worked as an investment banking analyst at UBS and Oppenheimer & Co. in New York.

David Burgess
Senior Associate



David Burgess joined the OEP in 2015 as a Senior Associate focused on search technologies. Prior to joining Apax, he acted as President of Ayima, a specialist search engine optimization (SEO) agency.

David grew the Ayima office from inception, building an industry-leading team of SEO experts and winning Fortune 100 clients including Verizon, Sports Illustrated & MGM Resorts. A technical SEO expert, David spearheaded the SEO Program at Verizon Wireless, delivering transformational change, triple-digit growth and multi-million-dollar revenues from the Organic Search channel. He is an expert in e-commerce platform optimization including Oracle Commerce & Demandware.

Velina Butti
Senior Associate,
Portfolio Efficiency



Velina Butti is a Senior Associate in the OEP. She joined Apax Partners in 2015 and is currently based in New York.

Prior to joining Apax Partners, Velina was a member of the Central Procurement and Profit Improvement team at J.Crew, where she led cross-functional cost reduction and process improvement initiatives. She also worked as a procurement strategy manager at ANN INC. and as a procurement consultant at GEP.

Laef Olson
Operating Advisor,
Enterprise
Technology



Laef Olson joined Apax in 2017 as an Operating Advisor in the OEP, based out of the US. He engages in pre-investment technology due diligence, and across the Apax Fund portfolio providing technology and operational guidance.

He has held several senior operating roles for technology-driven organizations, including Senior Vice President at Oracle Corporation where he was responsible for delivery of Oracle Public Cloud, as Senior Vice President & CIO at RightNow Technologies, as Group Vice President of Technology at Orbitz Worldwide, as CTO at Cars.com, and as Vice President of Online Product Management at First Chicago NBD.

Nick Iozzo
Operating Advisor,
User Experience



Nick Iozzo has nearly 20 years' experience in user experience and product management of internet-based software. His speciality is in managing the design and roll-out of disruptive technologies. During most of his career, he established and led the user experience practice for three different consulting companies, working for companies like Hallmark, Victoria's Secret, Travelocity, Fisher Scientific, GSK, Orbitz and about 40 other start-up and established companies.

Currently, he works exclusively with Apax Partners and provides assistance to their portfolio companies looking for help in managing disruptive technologies, improving the usability of their products, or helping them bring design thinking to their product management process.

Jason Glaun
Operating Advisor,
IT Transformation



Jason is an Operating Advisor in the OEP having previously held the role of Interim Global Technology Director at Apax Partners.

Prior to joining Apax as an adviser in 2009, Jason founded a management consulting business in the Channel Islands. He has operated in retail, digital, technology, alternative investments, finance, law and consulting industries. Holding previous operating positions at board and executive level, his speciality areas revolve around supply chain, business operations and technology.

Ellen de Kreij
Operating Advisor,
ESG



Ellen de Kreij is responsible for the implementation of the Apax Partners Sustainability Programme and is a member of the Apax OEP. Ellen joined Apax Partners in 2002 as Director of Deal Generation and became a Director in the Investor Relations team in early 2010 with a particular focus on European investors.

Prior to joining Apax Partners, Ellen worked as an investment banker in the Mergers & Acquisitions teams at Merrill Lynch and Broadview International, where she specialized in advising transactions in the technology sector.

References

- (1) Realised buyout investments since January 2014, Industry Estimates & OEP Analysis, Seth Brody.
- (2) Industry Estimates & OEP Analysis, Jessica Kuess & Jonathan Simmons.
- (3) Updated as of 31/12/2017.

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