MOST INFLUENTIAL 2017

Private equity is enjoying an unprecedented purple patch. Accordingly, many are making hay while the sun shines. From the GPs raising greater sums than ever seen before, to the intermediaries challenging established models, to the LPs wielding power over fund managers – here we profile the 20 most influential figures in our industry.

Illustration *Jonny Hannah*

RAJEEV MISRA

It is not hyperbole to say that SoftBank is changing the private equity landscape in a way not seen since the barbarians first arrived at the gates.

When the Japanese conglomerate's founder Masayoshi Son announced his intention to raise a $100bn private equity fund last year, the news was met with incredulity. The sum was five times that of the largest ever buyout fund at the time, and more than the total raised by all private equity firms globally in 1996, 1997, 1998 and 2003.

However, the SoftBank Vision fund is rapidly taking shape. In May it held a $93bn first close thanks to commitments from the likes of Apple, Foxconn, and the sovereign wealth funds of Saudi Arabia and UAE. It has already backed AI company Brain Corp and vertical farming business Plenty, and is expected to roll some of its prior investments, including UK mobile chip designer ARM and workplace enterprise WeWork, into the fund.

This behemoth is very much the brainchild of the ambitious Son. His aggressive expansion strategy has seen the company morph from a software reseller into a giant of the telecommunications, media and asset management realms. The Vision fund is the pinnacle of a life's work.

However, it will be up to SoftBank's head of strategic finance Rajeev Misra to make this vision a reality. After spells with Merrill Lynch, Deutsche Bank, UBS and Fortress, Misra is now officially leading the London-based vehicle and building out a team of dealmakers.

Questions have been raised about the fund terms (all LPs bar SoftBank are obliged to provide "preferred units", effectively leveraging their own equity) and SoftBank's investment track record (a sizeable portion of its returns are accounted for by its stake in Alibaba, which has appreciated from $20m to more than $50bn).

SoftBank expects to reach its $100bn target before the end of the year. It is hard to envisage how this unprecedented move will play out, but one thing is for sure – the entire private equity industry will be watching.

JOE BAE, SCOTT NUTTALL

Filling the shoes of Henry Kravis and George Roberts is a daunting task. That is what faces Joe Bae and Scott Nuttall, who in July were named as de facto successors to KKR's founders.

The pair have been named co-chief operating officers and added to the board of directors. Kravis and Roberts will remain as co-chief executives and chairmen for the time being, but the unusually public succession has thrust Bae and Nuttall into the spotlight.

Both are 20-year veterans of KKR. Bae has led its Asia, infrastructure and energy real assets divisions. Nuttall, meanwhile, has been more focused on private equity and was responsible for the firm's largest investment, First Data. He was most recently head of its global capital and asset management group, and led KKR's own IPO.

The succession is a tidy bookend to KKR's transition from plucky private equity pioneer to a global public asset manager. The challenges facing Bae and Nuttall will be very different to those Kravis and Roberts navigated in private equity's formative years.

"Today's announcement is about the future and ensuring we have the right team and leadership structure to serve our clients and partners for decades to come," Kravis and Roberts said at the time. No pressure then, chaps.

$960bn

the size of Norway's sovereign wealth fund, the largest vehicle of its kind in the world. Pending a governmental review, the fund may begin to allocate a portion of its capital to private equity from next year

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MIKE RISMAN

When a group of former Apax Partners, BC Partners and Bridgepoint senior dealmakers decided to set up their own shop, the private equity industry looked on with keen interest. Vitruvian Partners made an immediate impact, raising Europe's largest ever debut buyout fund in 2008.

With Mike Risman now the sole managing partner and more than 30 deals under its belt, the firm is now an established member of the private equity community. Earlier this year Vitruvian closed its third fund which, at €2.4bn, was more than double the size of its predecessor.

Vitruvian Partners differentiated itself by adopting a broad investment remit, from early stage venture funding rounds to traditional upper mid-market buyouts across northern Europe. However, many of its portfolio companies have technology at their core, and tend to be veritable disruptors of their respective sectors.

The model may have seemed risky, particularly as the firm began deploying capital at the outset of the crisis, but has been proven beyond doubt. Unsurprisingly, a number of its peers are now following suite, deploying smaller sums in less-established business models.

The likes of Just Eat and SkyScanner would not have even reached the investment committees of many vanilla buyout firms, but Vitruvian has profited handsomely from both.

The blurring of the lines between private equity and venture capital has been evident in recent years. Though Risman and his colleagues prefer to do their work away from the public eye, there can be no doubting their influence in this shift.

NICOLAS LANEL

A fund restructuring used to be the last-chance saloon and symbol of failure for the GP concerned. No more.

The volume of fund restructurings has climbed four-fold according to Triago, and a growing number have been led by good managers with decent performance. Increasing secondaries dry powder and recognition of the additional liquidity these deals provide have pushed up volumes, but one of the main contributors to the growing acceptance of restructurings are advisers like Evercore's Nicolas Lanel.

Lanel has long been a key deal facilitator in the secondaries space and has emerged as an equally important figure in orchestrating restructurings that work for GPs, are attractive for new investors and treat outgoing LPs fairly. Lanel has played a vital role in ensuring restructurings are properly priced, that all parties are briefed and ready to transact and that processes are executed efficiently.

As fund restructurings become more prevalent, expect Lanel to be busier than ever.

DONALD MACKENZIE, ROLLY VAN RAPPARD, STEVE KOLTES

When the trio of Donald Mackenzie, Rolly van Rappard and Steve Koltes took over the reigns at CVC Capital Partners from Mike Smith in 2013, the firm was preparing to raise what would be Europe's largest post-crisis buyout fund. The transition did nothing to put off investors, and CVC carried on at the top of the heap.

Since then, little has changed. The firm has continued to post impressive returns, Formula 1 among the most notable, and was an early responder to shifting investor trends by diversifying into dedicated funds for longer-life assets and growth capital. The €15.5bn raised for its latest flagship vehicle earlier this year is testament to this – not only was it the largest ever European private equity vehicle, it was said to be twice oversubscribed.

Mackenzie, van Rappard and Koltes merit recognition for overseeing the continued success running of a veritable buyout juggernaut. Succeeding the highly regarded Smith was no small feat, and the potential for disruption was ripe. However, there appears to be no stopping CVC.

LEON BLACK

Amid the hullabaloo surrounding the SoftBank Vision fund, it should not be forgotten that Apollo Global Management raised the largest ever private equity fund this summer.

The US buyout firm, led by chairman and chief executive officer Leon Black, surpassed its hard cap to pocket $24.7bn for its ninth flagship fund. Following up from the $18.4bn predecessor (also the largest ever private equity fund up to that point), it reinforced Apollo's position as a capital-raising machine.

The firm has forged a reputation for being a formidable negotiator, particularly when it comes to its highly successful loan-to-own strategies. It can boast impressive, consistent returns, its 2008 vintage posting a net IRR of 26 per cent and its 2013 fund running at 16 per cent.

Meanwhile, speculation will surely mount about Black's future. Now aged 66, much like with Henry Kravis and George Roberts at KKR, the time to pass on the reigns cannot be too far away. Fellow co-founders Josh Harris and Marc Rowan, both in their early fifties, would presumably be next in line. But with Black making a reported $142.5m last year, one could understand if he were in no rush to step back.

SIV JENSEN

Next year Norway's finance minister Siv Jensen will make a decision that will have huge ramifications for the private equity industry.

Earlier this year Jensen's department, which oversees Norway's $960bn sovereign wealth fund, said that after a review the vehicle could be allowed to invest in unlisted stocks for the first time in its history from 2018.

If the fund, the largest of its kind in the world, receives the green light to invest in unlisted assets, private equity is likely to be one of the major beneficiaries. Even if the vehicle were to make a tiny allocation to buyouts and venture, the impact on the industry would be massive.

The fund, which invests Norway's oil wealth, has recognised that alternatives can boost its overall returns, but has always been pragmatically run so it is too early to say which way the decision will fall.

Jensen, described as the "Norwegian Margaret Thatcher", is a strong proponent of the free market. In her first budget as finance minister she outlined proposals for tax cuts and appointed a committee to consider loosening restrictions on the annual spending of capital gains from the sovereign wealth fund.

The 48-year-old cuts an impressive, albeit controversial, figure. She is head of the Progress Party, which under her leadership entered government for the first time ever as part of a coalition with the Conservative Party in 2013. Jensen was appointed as the finance minister of the coalition government.

Private equity firms around the world will be awaiting any signals from her office with anticipation.

LAURENT HAZIZA

Haziza has been a regular in this list over the years and after more than two decades in the industry, Rothschild's global co-head of financial sponsors coverage remains as influential in the private equity industry as ever.

If there is any deal of note coming to market, Haziza will probably be advising one of the firms in the mix. Few transactions in Europe cross the line without his involvement, something that is unlikely to change any time soon as competition for deals continues to intensify and off-market transactions become rarer. If you have capital to deploy and need to do a deal, a meeting with Haziza is still the most obvious place to start.

CHRISTOPH RUBELI, ANDRÉ FREI

The co-chief executives of Swiss private markets investor Partners Group, Christoph Rubeli and André Frei have overseen the firm's ongoing evolution into global manager that has the capacity to offer investors bespoke products covering a wide range of alternative asset classes.

Partners Group is a serious player in the private real estate, private infrastructure and private debt markets as well as private equity, where it has developed a formidable direct deal offering alongside its other fund strategies. In addition to building up capacity across alternative assets, Rubeli and Frei have also driven the firm's focus on creating customised, tailor-made portfolios, which enable it to meet a multitude of client requirements.

With investors increasingly seeking to limit manager relationships and work with firms that can provide a "one-stop shop" for their alternative asset allocations, the Partners Group chief executives are running a business model that other large European private equity managers are likely to imitate in one way or another in the years ahead.

€6bn

raised by Partners Group for its latest direct investment fund in July, making it a very real competitior to top-tier buyout firms

MARIO GIANNINI

Mario Giannini has been in the private equity game for a long time now, and there are few in the industry with a comparable network and industry experience.

Hamilton Lane's chief executive is on first-name terms with buyout heavyweights like Steve Schwarzman, David Bonderman, Jim Coulter and David Rubenstein, and his firm's extensive global private equity programme means that there are not many managers out there who Giannini will not be familiar with. When anyone, anywhere in the world is raising a fund one of the first calls made will inevitably be to the Philadelphia-based private markets investor.

Giannini has also demonstrated an aptitude for identifying opportunity and moving his firm forward. In March Hamilton Lane listed on Nasdaq to secure its future as an independent house and under Giannini's leadership has expanded globally, recognised the value of institutionalisation and moved into new asset classes such as private debt and secondaries. With the credibility that comes with a listing behind it, expect Hamilton Lane to continue breaking new ground with Giannini at the helm.

THIERRY BAUDON

After many years of promise, it appears as if private equity is finally getting to grips with central and eastern Europe. Recent figures from Invest Europe showed that activity hit a seven-year high in 2016, while this year has looked even more positive with a number of landmark transactions including Zabka Polska and Dino Polska.

However, one man saw the potential long ago and forged the path that many others are now following. In 1999, having previously invested in the region through the EBRD, Thierry Baudon launched what would become Mid Europa Partners, the CEE region's pre-eminent private equity firm.

Mid Europa has been behind some of CEE's key deals, including Zabka Polska (Poland's largest ever food retail transaction) and SSB/Telemach (a €1bn transaction in the former Yugoslavia region). It has raised around €4.6bn since inception and deployed capital consistently as pan-European operators came and went.

Last year Baudon laid out Mid Europa's succession, naming Robert Knorr and Matthew Strassberg as co-managing partners. However, in his new position as executive chairman, Baudon's influence on the CEE private equity market looks unlikely to wane.

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THE PESENTI FAMILY

The Pesenti family, who until two years ago controlled Italcementi, the fifth largest cement producer in the world, are following a path that will be familiar to many of Europe's great industrial families.

In 2015 the family's holding group Italmobiliare sold a stake in Italcementi to German construction company HeidelbergCement in a $1.85bn (€1.5bn) deal. Just over a year later Italmobiliare acquired Italian buyout house Clessidra Capital Partners for €20m.

This year the group teamed up with French manager Tikehau to buy a portfolio of 23 mid-market companies held by Fondo Italiano d'Investimento (FII) for around €300m. Neuberger Berman, which had been jostling with Tikehau for the FII assets before Italmobiliare stepped in, eventually entered exclusive talks with the seller. Although it lost the bid, Italmobiliare's move was a clear statement of intent.

Italmobiliare's ambitious plans to rapidly build up a private equity business point to a growing trend. Rather than passively handing over their capital to various fund managers to run on their behalf, families are increasingly taking control of their wealth themselves and working to build up institutional-like direct investment vehicles that mirror the private equity model – and compete directly with it.

ROB THIELEN

He may have handed over the day-to-day running of the firm to Frank Vlayen, but Rob Thielen remains central to the continued success of Waterland Private Equity Investments.

According to the latest HEC-Dow Jones private equity performance rankings, Waterland is the top performing buyout firm globally. What's more, it scored nearly 50 per cent above its nearest competitor.

The high regard that academics hold Waterland in is backed up by investor sentiment. In August it closed its seventh flagship fund at €2bn after less than two months on the road.

As well as preserving Waterland's historic strength in the Benelux and Germany, Waterland has opened offices in Manchester and Copenhagen as its seeks to expand its geographical reach. Unusually for a continental institution, Waterland is even bullish about Brexit, believing it will offer the firm new opportunities in the UK and Europe. Without a doubt, the rest of the industry will be watching the firm's progress keenly.

HOWARD MARKS

It has been easy for the private equity industry to feel smug in recent years, with fundraising and distribution running at record highs.

Howard Marks, the head of Oaktree Capital, has offered a sobering counterpoint to the hubris.

Marks, who was one of Oaktree's founders back in 1995 and has built the firm into a global player with $99bn of assets under management, famously predicted the last financial crisis and has again been sounding warnings in his now-famous memos to Oaktree clients.

Marks argues that geopolitical and societal uncertainties are unusual in their "number, scale and insolubility"; that in "the vast majority of asset classes prospective returns are just about the lowest they've ever been"; that asset prices "are high across the board" and that "pro-risk behavior is commonplace" as investors "embrace increased risk as the route to the returns they want or need".

Marks' reasoning is always sound and his insights compelling. No private equity manager should ignore his observations.

PATRICK SAYER

Under the leadership of chief executive Patrick Sayer, Eurazeo has grown from humble French mid-cap investor to one of the most ambitious pan-European private equity players.

This year the firm has made strong progress in all areas of its business. As well as collecting €500m for its second co-investment vehicle, it closed its third mid-market fund at €658m. Assets under management currently stand at around €6bn.

Eurazeo has also caught the industry's attention with its unwillingness to stand still. For the past 12 months it has been building out its first US office. The decision to enter the competitive US market carries many risks, but if any firm can make it work, Eurazeo would be a prime candidate. Earlier this year it was revealed the New York base will house a new dedicated consumer brands team.

Of course, none of this would be possible without remaining focused on the day-to-day. Eurazeo has proven itself capable of consistently deploying capital across a range of strategies and delivering exits. Its return of over 4x on Italian skiwear business Moncler stands out.

Sayer has led the firm for 15 years and shows no signs of slowing down. When it comes to expansion, the sky appears to be the limit for Eurazeo.

1st

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JOHN WOLAK

Under the leadership of Wolak, Morgan Stanley raised $125m for its maiden impact investment fund of funds. Although the EIF and Big Society Capital have created similar vehicles in the past, this is the first 100 per cent privately-owned fund of funds of this type.

The support of a dedicated private investor to help social impact funds build scale and give confidence to other mainstream institutions will be crucial in the development of the asset class. It will also contribute to standardising reporting standards measuring the real impact of these funds, trying to distinguish between the houses that are making a difference from those that are just engaging in a marketing exercise.

Impact investment is a growing theme for mainstream private equity firms. TPG, Palatine Private Equity and Bain Capital have raised impact funds, while Ardian is considering launching one. When the well-known brands get involved, it is because they recognise that there is something important happening.

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JERYL ANDREW

Since its launch in 2015, Level 20 has generated much debate about private equity's poor gender statistics – women currently hold just 10.6 per cent of senior roles at firms in the industry, according to Preqin.

Level 20 has always stressed, however, that it does not want to just be a talking shop. The organisation's name refers to its aim of promoting concrete change in the industry on gender: it would like to see women filling 20 per cent of senior roles at European private equity firms by 2020.

Such an ambitious goal is much easier to state than achieve. This is where Jeryl Andrew, the organisation's first chief executive, hopes to play an important role. Having Andrew dedicated full-time to the organisation means a significant step up in terms of clout.

Andrew's tenure so far has seen Level 20 create a toolkit to help private equity firms with best practice when recruiting and conducting appraisals. Coming up towards the end of this year are the results of a research project into the career paths of women and men in the industry. Whatever the research reveals, with Andrew's appointment Level 20 is better placed than ever to advance its aims.

"WHEN THE TRIO OF DONALD MACKENZIE, ROLLY VAN RAPPARD AND STEVE KOLTES TOOK OVER THE REIGNS AT CVC CAPITAL PARTNERS FROM MIKE SMITH IN 2013, THE FIRM WAS PREPARING TO RAISE WHAT WOULD BE EUROPE'S LARGEST POST-CRISIS BUYOUT FUND. THE TRANSITION DID NOTHING TO PUT OFF INVESTORS, AND CVC CARRIED ON AT THE TOP OF THE HEAP"

SIMON WITNEY

Private equity lawyer Simon Witney has a distinguished pedigree as an adviser to the industry. He worked for more than twenty years in the funds team at SJ Berwin/King & Wood Mallesons, long regarded as one of the City's top practices in this area, served as co-leader of the London funds team and sat on the firm's management board. Witney is now special counsel in the private equity and funds/investment management groups at Debevoise & Plimpton.

Witney has also taken on a number of senior positions at private equity industry bodies, including Invest Europe's tax, legal and regulatory committee, BVCA's legal and accounting committee, and Emerging Markets Private Equity Association's legal and regulatory council. He is currently a member of the BVCA's council, which is responsible for oversight of the organisation and its strategic direction.

Unusually for a commercial lawyer, Witney also grapples with legal issues affecting the private equity industry at the highest academic levels. Earlier this year he was awarded a PhD from the law faculty at the London School of Economics, where he also teaches company law. In his thesis Witney examines the corporate governance of private equity-backed companies, and makes a persuasive argument for some legislative changes. The private equity industry would do well to take heed.

MARTIN DRAPER

Martin Draper carries a heavy responsibility on his shoulders as chief executive officer of LDC, one of the biggest and most active investors in the UK mid-market. He first stepped up as co-chief executive officer, together with Chris Hurley, when Darryl Eales, who had led LDC for 11 years, left the firm.

That was the beginning of a period of intense change at the buyout house. A number of dealmakers have departed, including Paul Landsman, Chris Neale and the bulk of the London team, who formed Mayfair Equity Partners.

Through this period of change, LDC has continued to generate strong returns with exits like A-Gas and Clifford Thames. Portfolio companies like Antler, CIT, Kimberly Rentals and Independent Group, however, have been exited to special situations firms.

Four months ago Draper stepped up as LDC's sole chief executive officer and has began to put his stamp on this bellwether firm after a period of flux. It has been hiring in numbers, reshuffled its regional teams, and is in the middle of a bold three-year commitment to deploy £1.2bn. His progress will be closely noted by LDC's rivals.

$125m

raised by Morgan Stanley for its maiden impact investment fund of funds, a vehicle which looks set to support specialised GPs gain a footing with investors

JEREMY COLLER

The secondaries industry has changed dramatically over the years, but Jeremy Coller remains at its core.

Coller brought secondaries into the mainstream and has continued to lead its rapid growth. Though questions have been raised about his strong grip on the firm, LPs continue to enjoy his returns.

With $7.15bn raised for its latest fund, Coller Capital retains a reputation for taking on the more complex secondaries deals – and with GP-led restructuring increasingly commonplace, that leaves the firm in a strong position.

Outside of the daily grind, Coller has taken an interest in raising awareness about the risks of factory farming, and is always a must-see speaker at industry events. In a business short of outspoken personalities, Jeremy Coller provides a refreshing change of pace.