

The Kellogg School of Management

ALUMNI NEWSLETTER

The Private Equity and Venture Capital Club

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Introduction

Alumni involvement in the Private Equity and Venture Capital Club is the cornerstone of our continued success. From participating in speaker events to involving your firms in our Venture- and Buyout-Lab programs, you enable us to meet our mission and make Kellogg a premier business school for future private equity investors and venture capitalists. As a ‘thank you’ to our dedicated alumni, we would like to provide an update on 2008 and 2009 activities with our annual Alumni Newsletter.

PEVC Boot Camp Series

*Article by Kathy Lai, KSM 2010
November 25, 2008*

The PEVC boot camp series is designed to provide students with an intensive and in-depth introduction to the fields of private equity and venture capital.

On October 11th 2008, the Private Equity and Venture Capital Club kicked off the first of three boot camp sessions. The first session provided a general overview on private equity and venture capital. It included speakers from the club’s leadership team, Kellogg’s

Director of Career Management Center Dean Roxanne Hori and Co-Director of the Heizer Center Professor Mitchell Petersen – Glen Vasel Professor of Finance. We were also honored to welcome back alumni Lauren Albrecht (KSM ’05) of American Capital and Mike Teplitsky (KSM ’08 and NU ’02) of Wynnchurch Capital for a career panel on Advice from Recent Graduates, as well as Ross Posner of Allstate

Investments to discuss Private Equity from the Limited Partner Perspective. The event was attended by nearly one-hundred first and second year students. The second boot camp session, held on October 18th 2008, was a breakout session focused on private equity. Once again, we leveraged the experience and knowledge base of our leadership team, which led discussions on Relevant (continued on Page 2)



Kellogg PE Conference: VC Sessions

*Article by Jason Robinson, KSM 2010
March 9, 2009*

The annual Kellogg Private Equity Conference features VC, PE, Portfolio CEO, and alumni keynote speakers, as well as three PE panel breakout sessions and three VC panel breakout sessions.

February 11th, 2009 marked the Tenth Annual Kellogg Private Equity Conference. The morning began with a hearty alumni breakfast at the Allen Center, featuring an in-depth industry status and outlook assessment by Kirkland & Ellis Senior Partner and Head of Global Private Equity Jeffrey C. Hammes (NU JD ’85). The Morning Keynote Speaker, Timothy

C. Draper, Founder and Managing Director of Draper Fisher Jurvetson, addressed an auditorium full of students (Kellogg and visitors), faculty, and alumni. In a speech that resonated well with the job seekers in the audience, Draper noted that downturns often lead to innovation and prosperity for those who correctly recognize the opportunities among the gloom. His speech culminated in an electrifying rendition of his signature cult classic, “The RiskMaster”. The three VC Breakout Sessions consisted of the following panels: Cleantech Investing, Ubiquitous Computing, and the State



of the Venture Capital Industry. The Cleantech Investing Panel was moderated by Michael A. Marasco, Northwestern (Continued on Page 2)

PEVC Boot Camp Series

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Classes and Activities, the Credit Process and the Basics of an LBO Model. The second session also featured alumni Chris McLaughlin (KSM '05) of CIVC Partners, Danny Rosenberg (KSM '97) of Sterling Partners, Demian Kircher (KSM '99) of Maranon Capital and Matt Raino (KSM '07) of Madison Dearborn Partners.

The second session equipped students with knowledge and analytical tools needed in private equity investing. Furthermore, the



session included a recurring focus on current market trends. Fundraising, availability of credit and average purchase price multiples are on the retreat. Additionally, the economic downturn has led to higher default rates on leveraged loans, particularly in the real estate, automotive, transportation and gaming sectors. All of the above factors will deflate private equity returns in the near term and reinforce the importance of proprietary deal sources and the ability to create value through operational improvements.

The final boot camp session, held on October 15th 2008, focused on venture capital. In addition to faculty and student speakers, it featured instruction from industry professional Eric Olsen of DFJ Portage and alumni Jonathan Miller (KSM '08) of Elementbars.com, Joe Dwyer (KSM '08) of Artist Data and Bret

Maxwell (KSM '82) of MK Capital. Professor Petersen kicked off the last session with an overview of Kellogg's venture capital resources, including the Heizer Center, which segued into detailed sessions by second-year students providing advice on course planning and internships. Two recent Kellogg graduates offered career decision insights as they described and analyzed their career choices—one chose to pursue venture capital, while the other chose entrepreneurship. Additionally, industry professionals provided valuable insider perspectives on the venture capital industry and recruiting. From start to finish, the VC session delivered a strong foundation upon which those in attendance can build future careers.

A selection of presentations from the boot camp series can be found on our website.

Kellogg PE Conference: VC Sessions

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University, McCormick School of Engineering, Clinical Associate Professor and Director of the Farley Center for Entrepreneurship and Innovation. The panel consisted of Rafael Coven (KSM '92), Managing Director of Cleantech Group LLC, Dan Watkins, Managing Director of Draper Fisher Jurvetson Mercury and William Y. Zakroff (KSM '78), CEO and Founder of Marinus Power LLC.

This seasoned and experientially diverse panel explored many facets of the cleantech space, which includes energy collection and storage, as well as smarter energy consumption. Topics ranged from the mechanics and operation of tidal and wave power generation, to roadblocks in geothermal power capture and the economics of rooftop solar projects. Government regulations and incentives were contemplated in light of the change in administra-

tion. After an interesting and informative set of perspectives from the panel, the audience readily launched an array of thoughtful questions.

Next, Shane Greenstein, Kellogg School of Management, Elinor and Wendell

Chang's discussion of elective surgery to extend "computers around us" to "computers inside us" catapulted this fast-paced discussion to light speed.

Hobbs Professor of Management and Strategy, moderated the Ubiquitous Computing Panel. This lively panel consisted of Enrique Godreau III, Managing Director and Co-Founder of Voyager Capital, Timothy Chang, Principal at Norwest Venture Partners and Joe Dwyer (JDMBA '08), Senior Associate at OCA Ventures, who filled in for Jim Dugan (KSM '97), CEO, Co-Founder and Managing Partner of OCA Ventures.

Godreau, who was a researcher at Xerox PARC when ubiquitous computing was pioneered there, provided a historical perspective on how computing has evolved from many people interfacing with room-sized computers in the 1970s, to personal computers in the 1980s, to a point where computers and smart devices form a physical web that link user through a virtual web. Chang took this perspective global with a look into worldwide computing and connectivity innovations, and Dwyer provided insight from fifteen years of Internet entrepreneurial experience. The audience was captivated early by the discussion, but the panel's visions of the future, including Chang's discussion of elective surgery to extend "computers around us" to "computers inside us" catapulted.

The final VC panel for the afternoon was well worth the wait. Matt McCall (KSM '91), Managing Director of Draper Fisher

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Jurvetson Portage moderated the State of the Venture Capital Industry Panel. This powerhouse panel consisted of Rick Bolander, Managing Director and Co-Founder of Gabriel Venture Partners, Promod Haque (KSM '83), Managing Partner at Norwest Venture Partners and Steve Foster (KSM '89), Co-Founder and Partner at TPG Growth.

This panel addressed some of the most pressing industry issues, including fundraising, structural changes in the industry, and a shift from IPO to M&A liquidity

events. To insure that everyone was ready to participate, Bolander quizzed the audience on the current state of VC exits, passing out prizes to the first to answer correctly (Bon French, KSM '76, was prohibited from answering to give others a chance to win). Given the deep insights and perspectives that the panelists offered in response to McCall's probing questions, the audience's day was capped with a thorough exploration of the VC industry's evolution and likely future, followed by an opportunity to ask questions from this esteemed panel.

At the end of the third panel session, students, speakers, alumni, and guests adjourned to enjoy cocktails and hors d'oeuvres at a Networking Reception in the Allen Center.



Kellogg PE Conference: PE Sessions

Article by Brian Price, KSM 2009; Adam Milakofsky, KSM 2010; Michael Watts, KSM 2010; Taylor Moore, KSM 2010; Andrew Gustafson, KSM 2010

March 9, 2009

The Private Equity keynote was delivered by Hartley Rogers, the Chairman of Hamilton Lane, a private equity asset management firm that provides allocation advisory services to institutional investors across the globe. Hartley brought to his address decades of private equity experience from his work as co-head of CSFB Equity Partners, Senior Partner of DLJ Merchant Banking Partners III and President of the general partners of the Princes Gate Investors family of private equity funds.

In his presentation, titled Private Equity Market Update, Rogers gave what many attendees considered the most upbeat speech of the day. He began his keynote by providing an update on the current economic landscape, highlighting the downturn in both the public and private markets. He then discussed how many prognostica-

tors are predicting the end of the private equity industry, just as they did after the bursting of the high-yield bond market in the late 1980's. Rogers then shed light on the fact that the highest private equity returns over the past twenty-five years resulted from deals undertaken during economic downturns. Comparing the consensus view on the private equity industry with that of Hamilton Lane, he provided compelling evidence for selecting managers with proven track records as well as the opportunities currently available in the distressed and secondary markets. In concluding his address, Rogers left many Kellogg students and alumni comfortable that the current market provided compelling investment opportunities as well as the idea that the private equity industry would emerge from the downturn well equipped to continue to provide excess returns.

Vikas Kapoor, President and CEO of iQor, gave the portfolio company keynote address entitled "Junk or Jewel? – Management's Perspective on Private Equity". Kapoor detailed his experiences partnering with a private equity firm to lead the dramatic turnaround of iQor, which today is a premier provider of call-center services, employing more than 8,000 people in North America, Europe, and Asia.

With additional sources of capital and no quarterly earnings pressure, Kapoor highlighted the benefits of partnering with a private equity firm in a turnaround set-

Kapoor stressed the importance of selecting the right partner, as success hinges greatly on a shared vision, strategy and investment horizon.

ting. The additional flexibility and alignment of incentives yielded an environment in which he was able to enact drastically needed changes in management, processes and technology that catapulted the firm from the edge of bankruptcy to a leading position as one of the fastest growing companies in the business process outsourcing industry. While partnering with private equity provides certain fundamental advantages to operating in a public environment, Kapoor stressed the importance of selecting the right partner, as success hinges greatly on a shared vision, strategy and investment horizon.

The first late-stage panel session, Opportunities in Today's Markets, was moderated by Jon Ballis of Kirkland & Ellis. Joining him were participants JB Pritzker (NU JD '93), Managing Partner of the

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Kellogg PE Conference: PE Sessions

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Pritzker Group, John Carroll (KSM '98), Managing Director at Summit Partners, Andrew Marek (KSM '91), Managing Director at Dymas Capital Management and Mark Taber (KSM '98), Partner at Great Hill Partners.

The panelists gave a realistic assessment of the extremely poor market conditions for leveraged buyouts. Pritzker predicted that the economy was in for an extended downturn and did not think that current seller expectations had come down enough to interest his firm with its deep value strat-

Both Carroll and Taber talked of the challenges inherent in the current environment, but had cautious optimism that the economy would turn around in the medium term.

egy. Marek, the panel's lender, talked of the unsustainable lending standards that fueled the peak of the buyout boom. He views the credit markets as having continued struggles, but said that deals are being done with creative financing structures. Both Carroll and Taber talked of the challenges inherent in the current environment, but had cautious optimism that the economy would turn around in the medium

term and growth companies could find capital from the right PE partners.

The Limited Partner Perspectives Panel was moderated by Andy McDonough, a Partner in Winston & Strawn's Chicago office and leader of the firm's private equity practice. The panel consisted of Bon French (KSM '76), CEO of Adams Street Partners, Du Chai (KSM '01), Managing Director for the Northwestern Endowment, Todd Miller, Managing Director at Cogent Partners and Larry Rusoff (KSM '94), Managing Director at Performance Equity Management.

The panel discussed how the current environment in private equity is affecting limited partners' attitudes towards the asset class. Specifically, the panel talked about how limited partners are reassessing their allocation to private equity which is limiting openness to new investments and driving the lack of fundraising opportunities. Furthermore, the potential for future capital calls on existing investments is also causing limited partners to hoard capital. The panel also discussed the market for secondary transactions of limited partner interests in terms of volume of activity, terms and pricing.



The last PE panel of the day was also one of the most engaging. Jim Tunney, veteran transaction service partner for PricewaterhouseCoopers led a discussion on the strategies that private equity firms employ to drive operational improvements at their portfolio companies. The panel featured Craig Bondy, Principal at GTCR, Gordon Pan (KSM '98), Partner at Baird Capital Partners, Kevin Rowe (KSM '91), Principal at Lake Capital, and Kevin Somerville, Senior Advisor to Northwest Equity Partners. Discussion centered on operational philosophies, strategies for driving rapid change, key benchmarks to focus on while implementing change and ways to cope with the difficulty of finding the right partnership between management and investors.

Panelists had variety of perspectives on potential ways to drive operational change at portfolio companies. Pan articulated his firm's strategy of assisting portfolios with their global expansion strategies. Rowe explained how he drew upon his years as a CEO to coach the portfolio companies he worked with. Alternatively, Bondy discussed the importance of identifying the right management team up front, especially with larger private equity deals. As an organizational psychologist, Somerville explained the importance of aligning organizational structures, compensation incentives and personality types with the investment objectives of the private equity firm.

San Francisco KSM Bay Area PE/VC Club

Article by Jesse Brandl, Pacific Community Ventures, KSM 2006
March 20, 2009

The San Francisco KSM Bay Area PE/VC Club is an alumni led initiative focused on expanding the number of Kellogg graduates pursuing Private Equity and Venture Capital careers. Over the last few years, our group has held monthly meetings in San Francisco and Palo Alto. In addition to our core group, we have had a variety of guests at our events, including other business school PE/VC alumni clubs, Kellogg

corporate development professionals, local non-profit organizations and Kellogg Bay Area treks. We encourage current students, alumni and administration/professors interested in participating or supporting our effort to reach out to Jesse Brandl (KSM '07) at jbrandl@pcvfund.com or Jorge Calderon (KSM '03) at jorge@hillviewvc.com.

Alumni Insights: Harsha Marti (KSM '02) of Warburg Pincus

Interview by Bader Alam, KSM 2009
December 12, 2008

How did you get started in the PE industry? Immediately prior to starting my first year at NU Law, I spent several months working at ICICI in India. I worked in a group that, among other things, ran a small proprietary venture capital fund for ICICI. The work I did there was my first introduction to long term investing in private companies. As a lawyer, I gravitated towards later stage transactions because, although early stage transactions can also be quite interesting, later stage transactions tend to be complex from a legal and structuring standpoint. I was fortunate that I started my career at Kirkland & Ellis LLP in New York. K&E's New York office is unusual in that lawyers there tend to work on all aspects of private equity transactions from fund formation to M&A to leveraged finance to negotiating employment arrangements. Being a generalist allowed me to have a holistic view of the PE industry which, at least from my perspective, made PE more interesting.

What aspects of PE attracted you to working in the industry? I enjoy the long term perspective that PE investors tend to have. I also like the fact that successful participants in the PE industry, be they transaction professionals or service providers, must be able to successfully marry a high level of proficiency in technical skills with a keen understanding of people.

We live in tough times with the economy on the brink of recession and the collapse in the markets. How has this affected WP and how have you coped? The current market conditions are difficult for everyone. No industry or geography has been spared. We are somewhat unique in that we make all of our investments out of one fund regardless of geography, industry or stage of investment. This means that our portfolio is diversified and is not concentrated in a small number of transactions which is a good thing in these times. I

would also say that, while these are difficult times, they also offer tremendous opportunity to patient, long term investors.

What types of financing structures are you seeing on new deals currently? The lack of leverage clearly means that the large public to private leveraged transactions that were prevalent in 2006 and early 2007 are virtually impossible to do. This means that even firms that typically focus on large LBO transactions have started to look at PIPEs and other sorts of structured minority investment in publicly traded or large private companies.

Do you think that private equity firms will now search more overseas, since there is an excess of funds in the United States? A lot of people believe that limited partner investors have allocated too much capital to US-focused funds. However, I would note that a tremendous amount of capital is needed in order for US corporations to effectively be recapitalized. I would think that some of these recapitalizations represent valuations that are attractive enough that one can generate PE-type returns even on an unlevered basis. However, recapitalizing a distressed company and working through all of the related issues is quite a different ball game from 2006-style LBOs and time

Recapitalizing a distressed company and working through all of the related issues is quite a different ball game from 2006-style LBOs and time will tell whether PE firms have the skill set necessary to do distressed investing.

will tell whether PE firms have the skill set necessary to do distressed investing. Insofar as investing outside of the US is concerned, PE firms have been investing in Western Europe for some time now and

almost all of the major PE firms have operations in China and/or India. Many firms have also started looking at emerging Europe and Russia. However, it is important to note the distinctions of investing in emerging markets. Emerging market investments typically involve making a minority investment in a founder controlled company which means the PE fund has to be able to treat management as a partner rather than as an employee. Investing in emerging markets also requires deal professionals to have a deep understanding of local conditions, which is something that does not happen overnight. Again, time will tell whether PE firms can adjust to the very different conditions in emerging markets.

What do you think will happen in the private equity industry over the next 5-10 years? Do you think there will be a shakeout? There are several factors that are going to result in a shakeout in private equity:

1. The current market downturn means that many large, institutional limited partners are over allocated to private equity. This will likely result in setting aside less capital for private equity in the future. Increased investment by Sovereign Wealth Funds will make up for some of this shortfall but not all of it. The net result is that there are going to be fewer dollars available for investment in private equity.
2. Many private equity firms are still run and majority owned by their founders. Many of these founders are going to transition out of active involvement in day-to-day activities. These sorts of transitions are always difficult.
3. A lot of capital was put to work during the 2006-early 2007 buyout boom. It may seem obvious but the more money you put to work during that time period in leveraged transactions, the greater risk you face now.

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Alumni Insights: Harsha Marti (KSM '02) of Warburg Pincus

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These factors mean that some percentage of private equity firms will not be able to raise new funds. I don't think that private equity firms will be as badly impacted as hedge funds because, unlike hedge funds, private equity funds' limited partners are obligated to fund capital commitments for a fixed period of time and cannot redeem their interests. This may allow some private equity firms to ride out the current environment and not face a mass of redemptions at the very bottom of the market, which is one of the factors that is causing a number of hedge funds, especially small and medium sized hedge funds, to shut down.

What differentiates WP? We have a one firm philosophy meaning that, not only do we invest out of one fund but all of our investment professionals globally have aligned interests. We are stage, sector and geography agnostic, so we can make investment decisions based on the best available opportunities as opposed to being

forced to invest in a particular geography, for example, because we raised money to invest solely in that geography. We do not take transaction, investment banking, monitoring or consulting fees so our interests are fully aligned with those of our management teams and our investors. We are growth-oriented investors. Regardless of stage or sector, we invest in companies that tell a compelling growth story. We are a truly global firm. We opened our offices in London in 1983 and our first office in Asia in 1994 and have invested in portfolio companies based in more than 30 countries and have substantial investments in India, China and Eastern Europe.

What originally drew you to the company? As PE firms have become more institutional in nature, they have increased the number of people employed in non-deal roles such as fundraising, marketing, finance, tax and legal. The idea of someone in my position at a PE firm is a somewhat new thing. Ten years ago, many PE

firms didn't have a General Counsel, let alone an Assistant General Counsel.

On a more personal note, as a Kellogg alumnus, what's your most vivid memory of being at Kellogg? I would say hanging out at the Deuce but that would stretch the meaning of the word "memory" so I would have to say: the first time I heard Andre "Dr. Dre" Oliveira say "focus" in a Brazilian accent.

Do you have any advice in terms of what current students can do at Kellogg to better prepare them for a successful career in PE? If I was a current student, I would focus on building specific industry expertise. PE firms are going to increasingly hold investments for longer periods of times and understanding how to operate businesses will become more important than financial engineering or expertise at simply executing deal after deal. Ability to manage a portfolio effectively over the long-term is immensely important to a firm such as Warburg Pincus.

Buyout and Venture Lab Programs

Article by Harrison Perry, KSM 2009
March 15, 2009

The Buyout and Venture Labs are experiential courses that provide students the opportunity to learn about the respective industries by working one or two days a week for the quarter as an intern with a firm in the field.

The Buyout Lab is led by Professor David Stowell and the Venture Lab is led by Professors Mitchell Peterson and Yael Hochberg. This is the second year for the Labs, which have placed a different group of students into firms each quarter. The program has grown from placing approximately eight students the first quarter to 15-20 students today, and is a win-win for the firms as well as the students. For 10 weeks, the firms get MBA students, who often have unique skills that are valuable

to projects or deals that the firms are reviewing. The students have the opportunity to learn about the industry and broaden their skill-sets.

The nature of the student's role during the 10 weeks has varied significantly based on the interests of the firm and the background of the student. Many of the students have completed distinct projects during the 10 weeks. One type of project has been to research a sector that the firm is considering investing in. The student then creates a package describing how appealing the industry is, what businesses might be good targets and the best approach to investing in the sector. Other students have assisted with deal selection, due diligence and investment efforts.

Dean Dipak Jain said that with curriculum innovations like the Labs, Kellogg is

working to support a new generation of finance leaders. He contends the course is designed to give students a rigorous and real-world experience that helps prepare them for a career in private equity. "We continue to find ways to bring theory and practice together and challenge students to dig deeper to develop the analytical and 'soft' skills that will make them extraordinary leaders," said Jain.

The Labs bring in professional speakers to expand the learning opportunities of

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“We continue to find ways to bring theory and practice together and challenge students to dig deeper to develop the analytical and ‘soft’ skills that will make them extraordinary leaders,” said Jain.

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participants. On April 3rd 2008, the Buy-out Lab brought Madison Dearborn Chairman John Canning Jr. to campus to discuss his long career in private equity, market conditions, and provide a historical perspective on private equity. “You have to be concerned about private equity firms doing things they’ve never done before,” Canning said, citing examples such as taking a minority interest in public companies

and taking privately negotiated securities from a public or private company. “These are things that investors have to watch out for and private equity firms have to not be tempted to do.” On October 22nd 2008, the Venture Lab brought New Enterprise Associates’ Partner Suzanne King (Kellogg ’95) to campus to discuss current trends in the industry. King specializes in information technology opportunities and manages NEA’s marketing and investor relations area. She said that innovative firms are no longer centered in Silicon Valley or Boston. As such, she said venture capitalists are investing in companies around the world, including in China and India. NEA has two offices in China and one in India. “We’re finding innovation everywhere,” King said. “If you don’t adapt to

that, you’ll miss great opportunities.” Kellogg professors play an active role in the private equity industry. For example, Clinical Professor Harry Kraemer teaches the evening class Managerial Leadership and is an executive partner with Madison Dearborn. Prior to Madison Dearborn, he was the CEO of Baxter International. The labs have been a valuable experience for the students involved each quarter. The following buyout and venture capital firms participated in the Labs during the 2008-2009 year.



2X Consumer Products
 Adobe Ventures
 bioventures investors
 Ceres Ventures
 Code Hennessy & Simmons
 Cornerstone Angels
 DFJ Portage
 Early Stage Partners
 First Analysis
 Frontenac Company
 Geneva Glen Capital

Granite Creek Partners
 Hadley Capital
 Hispania Capital Partners
 Hopewell Ventures
 i2a Fund
 Illinois Ventures
 Independence Equity
 LaSalle Capital
 Longitude Capital
 MK Capital
 Madison Dearborn
 McNally Capital

Merrick Ventures
 New Trier Partners
 OCA Ventures
 Prism Capital
 Seneca Health Vent.
 Ceres venture Fund
 Merrick
 Silicome Pastures
 Silver Oak
 Sterling Partners
 Waud Capital

Interview Tips from Shane Sugino, Kellogg PE/VC Careers Advisor

Interview by Boyd Vor Broker, KSM 2010
 March 12, 2009

Shane Sugino is the Career Advisor at the Kellogg Career Management Center working with students interested in Private Equity and Venture Capital related careers. Prior to Kellogg, Shane led a healthcare buyout team for GE Capital in Chicago where he closed over \$5 billion of deals over a two year period. Prior to GE, Shane spent seven years in derivatives trading with Goldman Sachs and Bear Stearns and started two companies. Shane received his MBA from Cornell University and a BS in Finance from New York University.

What are some ways you are helping students become more familiar with potential careers in the private equity industry?

Each year, Kellogg attracts a large number of students interested in the private equity and venture capital space. Many of those students have had prior PE/VC experience, but many have not. In order to educate students on potential careers and career paths, we hold a number of educational events throughout the year such as boot camps, industry panel discussions, guest speakers, and company visits. The capstone event of the year is our annual PE/VC conference held here in Evanston and tends to sellout within a few hours

after registration opens.

What can students do to improve their chances of getting a private equity job?

Networking is the key to success during the job search process. Students have a chance to learn more about the industry, a particular firm and potential job opportunities. At the same time, potential employers learn more about the student and where they can add value to their organizations. For career switchers, leveraging your industry experience while proving you have analytical skills will be the key to finding a job in this challenging market.

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Ways for Alumni to Get Involved...

Article by Lylan Masterman, KSM 2010 and Emal Dusst, KSM 2010
March 15, 2009

Many alumni have inquired about how they can do more to assist Kellogg in its on-going effort to improve its brand value in PE/VC. As such, we have summarized below the most effective ways to get involved, regardless of whether you are in the Chicago area or elsewhere.

Be a Guest Speaker. Throughout the academic year, distinguished leaders from the private equity and venture capital community visit Kellogg to lecture on industry topics. The speakers provide students with insight into their fund's investment style, industry focus and recent transactions. In addition to informing students about recent market trends, guest speakers often provide career-related advice.

Host a Trek. Each year students participate in educational treks organized by the club to meet with private equity and venture capital firms and learn about different types of principal investing. The goal of the treks is for students to get an understanding of the trends, challenges and opportunities in private equity and venture capital directly from the firms.

Lead a PEVC Boot Camp Course. The PEVC Boot Camp series is held during the fall quarter and is designed to provide students with an in-depth introduction in the field of private equity and venture capital. Training courses focus on the fundamental issues associated with the investment process and are led by a group of volunteers consisting of alumni, professors and stu-

dents with relevant experience.

Attend Alumni / Student Socials. Every spring, the PEVC Club hosts an industry networking night in Chicago. This event provides alumni an opportunity to welcome the graduating class into the industry and meet alumni at other firms.

Join Local Alumni Groups. Regional organizations have been formed to strengthen the relationships among Kellogg alumni who are active in the private equity industry. Groups are responsible for organizing local professionals for regular breakfasts and other events. Please reach out to your local chapter:

- KSM Bay Area PE/VC Club - Jesse Brandl (jbrandl@pcvfund.com)
- KAPE (Midwest) - Dan Hosler (dhosler@sterlingpartners.com)

Participate in the Annual PEVC Conference. The PEVC Club organizes an annual conference that brings together industry professionals, academic leaders, alumni and current students to discuss trends and issues in the private equity and venture capital industry.

Conduct Informational Interviews. Current students might contact alumni to request informational interviews – some are by phone while others are face-to-face. These interviews help facilitate student understanding of the private equity or venture capital career path.

Offer Internship Programs. Kellogg offers students the opportunity to gain

hands on experience through a variety of internship programs.

- Buyout and VentureLabs – These are for-credit experiential learning courses offering students a 10-week internship with a PE or VC firm. Students typically work 1-2 days per week to experience the day-to-day activities of a local fund, allowing them to assist with industry analysis, deal selection, due diligence and investment efforts.
- Part-time/Summer Intern – Throughout the school year and during the summer, firms in the Chicago area and across the country hire Kellogg students to assist with work and gain valuable industry knowledge. These internships can be structured informally where students take on pro bono projects throughout the year or you can structure a paid, summer program.

Your thoughts?

Are there ways in which you would like to contribute to Kellogg's PEVC students, but feel that we are not reaching out to you in the right way? If so, please contact us at PEVC-Club@kellogg.northwestern.edu. We value your comments.

Thank You,

The Private Equity and Venture Capital Club

Mike Hartmann – Co-Chair
John Hennegan – Co-Chair
Brett Holcomb – Director, Buyouts
Justin Ward – Director, Buyouts
Raghav Mathur – Director, VC
Forrest Mertens – Director, VC
Bader Alam – Director, Alumni
Steve Griffiths – Director, Careers
Joe Matthews – Director, Heizer Center

[www.kellogg.northwestern.edu/
student/club/pevc](http://www.kellogg.northwestern.edu/student/club/pevc)

Interview Tips from Shane Sugino

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What are some of the best ways alumni can get involved? Involved and supportive alumni are very important to Kellogg's success. Alumni can get involved in different ways such as a corporate sponsor of a school event, a participant on a panel discussion, a guest speaker in a classroom, a

sponsor of an academic project for our Venture and Buyout labs and most importantly, by hiring Kellogg students for PE/VC opportunities! Without our loyal alumni, Kellogg would not be as successful as we are today.