

CONSULTANCY

Knowledge is power

In times of trouble GPs put the call out for deep sector expertise

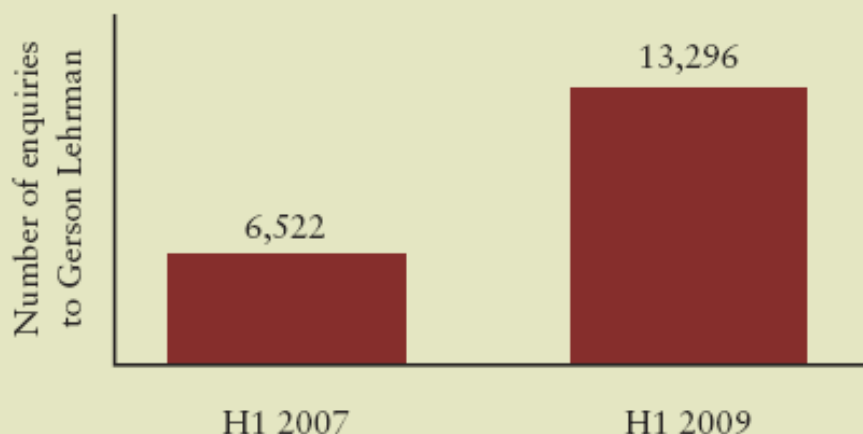
If the data collected by one service provider represents the private equity community at large, the credit crunch has put a premium on deep industry knowledge. As financial sponsors try to get a handle on their portfolio companies and stay abreast of rapidly evolving opportunities, Gerson Lehrman Group, a firm that connects clients to a network of 200,000 subject-matter experts, has seen private equity enquiries rocket.

Private equity makes up the fastest growing segment of Gerson's financial services client base and the firm says it now counts seven of the ten largest firms among its clients. Unsurprisingly the nature of the enquiries has shifted dramatically away from deal-sourcing and due diligence enquiries towards portfolio management.

Gerson, which itself is part-owned by private equity firm Silver Lake, has seen increasing interest in Chinese and Indian expertise, where it is currently recruiting more specialists. The firm has also seen a large spike in demand for macro-economic expertise, as investors seek to gauge the impact of various fiscal stimuli and government economic interventions around the globe. ■

CRIES FOR HELP

Since the onset of the credit crunch, the number of instances of private equity firms reaching out for expert assistance has more than doubled



Source: Gerson Lehrman Group