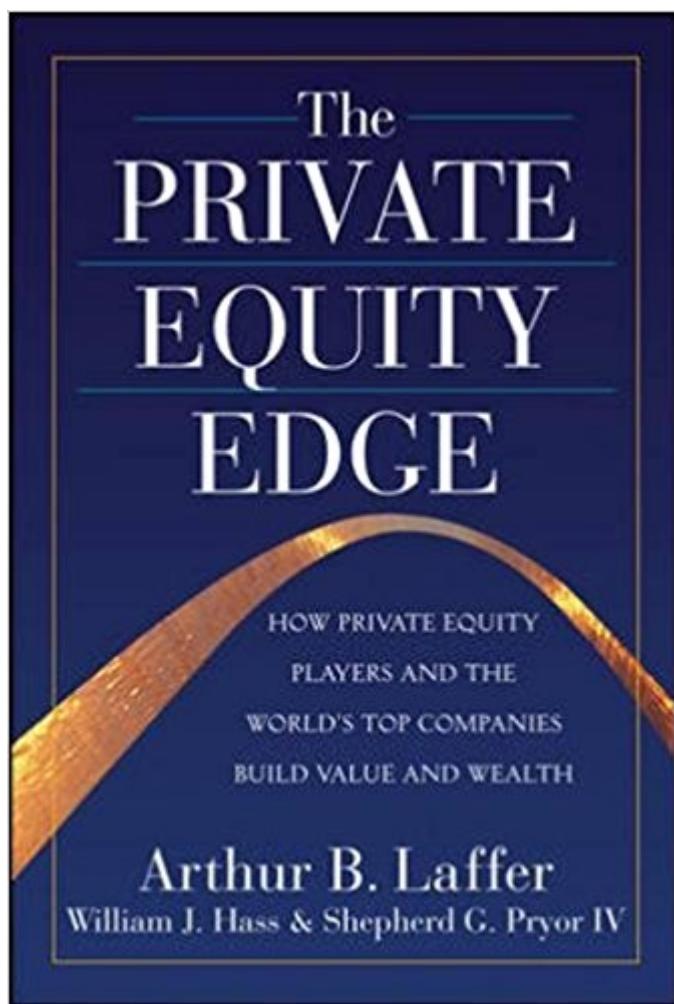


The book was found

The Private Equity Edge: How Private Equity Players And The World's Top Companies Build Value And Wealth



Synopsis

The world is changing and has never been more challenging to private equity players, public companies, and investors. With record market volatility and a global economic crisis, decision makers of all types can learn from successful private equity players and other top value builders. Private equity is growing at a rapid rate, with \$2.7 trillion in transactions since 2001 and buyouts occurring in every type of market, including declining ones. And now, with the end of investment banks as we know them, the door is open to more opportunities than ever. In *The Private Equity Edge*, economics giant Arthur B. Laffer, along with value-building experts William J. Hass and Shepherd G. Pryor IV, combines the concepts of intrinsic value, macroeconomics, and incentives into a single strategy used by today's top value builders. You'll learn how to create value while reducing risk by: Thoroughly exploring relevant data to quantify ranges of value and risk Anticipating reactions of those whom you seek to influence Exploring possibilities and options before making major decisions Employing incentive systems that work in both up and down markets Examples of major private equity players at Blackstone, KKR, Carlyle, Cerberus, and Madison Dearborne Partners illustrate what to do and what to avoid in specific situations. Decision makers seeking to take full advantage of the new, interconnected world of business and economics will learn how to make the best decision the first time around, quickly and with conviction—the key to seizing the private equity edge.

Book Information

Hardcover: 448 pages

Publisher: McGraw-Hill Education; 1 edition (March 12, 2009)

Language: English

ISBN-10: 0071590781

ISBN-13: 978-0071590785

Product Dimensions: 6.5 x 1.4 x 9.3 inches

Shipping Weight: 1.7 pounds (View shipping rates and policies)

Average Customer Review: 3.5 out of 5 stars 14 customer reviews

Best Sellers Rank: #641,079 in Books (See Top 100 in Books) #61 in Books > Business & Money > Finance > Corporate Finance > Private Equity #127 in Books > Business & Money > Finance > Corporate Finance > Venture Capital #4607 in Books > Business & Money > Investing

Customer Reviews

Arthur B. Laffer, Ph.D., served as one of President Ronald Reagan's chief economic advisers in

the 1970s and 1980s. His supply-side theories helped trigger the global tax-cutting movement of the 1980s. Laffer is on The Wall Street Journal's Gallery of the Greatest People Who Influenced Our Daily Business and was referred to as one of the *century's* greatest minds in Time magazine. Inventor of the *Laffer Curve*, he serves on various public and private boards and is the recipient of two Graham & Dodd awards and the Adam Smith award. William J. Hass, CTP, is CEO of the strategy and turnaround firm TeamWork Technologies. He previously served as chairman of the Turnaround Management Association and was a partner of accounting giant Ernst & Young. He is a certified turnaround professional. Shepherd G. Pryor IV is a consultant, corporate director, and educator on the subject of corporate value. He has served on the boards of four corporations and was formerly corporate banking leader at Wells Fargo Bank.

This book isn't really about the Private Equity Edge -- it offers some simplistic suggestions about how private equity firms create value (dig deeper, move faster) without offering any insights into how to put those high-level concepts into practice. But the REAL point of the book is that the authors believe the US tax system should be revised to encourage small business growth and entrepreneurship. Take a close look at the table of contents: chapter 1: Rules of Thumb are Often Wrong (no real insights here, the chapter title says it all) chapter 2: Wealth, Tax Rates and Income (this has nothing to do with "how private equity players build value"--the chapter is about how tax rates incentivize or disincentivize economic growth) chapter 3: Risk, Life is Not a Straight Line! gave up half-way through Chapter 3 because the text is so repetitive and I had yet to read anything insightful about how private equity firms create value. As an alternative, I strongly recommend Bain's short book "Lessons from Private Equity that any CEO can Use." It was so good that I sent it to some colleagues in the industry. UPDATE: "Inside Private Equity" is also a great alternative read.

The main problem of the book is that it presents an obvious fact which is a common sense to everybody (something along the: "You have to dig deeper, be faster than your competitors, do your homework before taking action, companies shouldn't pursue smaller short-term gains at the cost of the bigger long-term ones and so on") and then just keeps repeating the idea for the rest of the chapter supporting it by some anecdotal evidence. The anecdotal examples given in the book are so general that cannot be used as guidance (normally it is in the form of: "This CEO dug dipper, made some crucial changes to the company which as a result brought value to the shareholders"). Moreover the book is full of authors' philosophical discourse on economic and political topics usually not related to the main topic of the book - the private equity edge. More or less the content can be

summarized in one sentence: Private companies are more efficient than public, the US should introduce flat tax rate, the Fed is to blame for all the recent recessions because of the poor monetary policy (using the book terms the Fed didn't dig dipper, didn't act faster and didn't do the homework).

Good read for business owners or managers at any level. A little thick at times but the basic subject matter is pertinent across industries and functional levels.

I found the Private Equity Edge to be insightful with useful nuggets of wisdom about how to increase the value of a company based on the traits of institutional investors. The book is written from an economics perspective and supports its arguments with a wealth of data. This is a good read for those that desire to look at value creation top-down from a macro view. Nice Job!

Three experienced business leaders and authors share their experiences in VALUE BUILDING from the perspective of top private equity players and the world's best businesses. According to George Schultz former Dean of the University of Chicago, Booth Graduate School of Business and former Secretary of Labor and the Treasury: "Business and Political Leaders ... Read this book and enjoy while learning how the world really works!"

This book should have been half the length it was or else they could have expanded on what makes the better Private Equity firms stick out, with more in-depth case studies. Instead they use platitude such as, "Top Value Producers react quicker" and say things such as the Crash of 2008 was caused by Ben Bernanke not considering the monetary levels of the U.S. (these are paraphrases as I couldn't be bothered to look up their exact wording) as well as endless hype of the now completely ignored and rejected "theory" of supply-side economics. I knew with Laffer as the main author (who based on the anecdotes in this book can do no wrong) there would be liberal helpings of his own theories, but this was a bit much. I found myself literally skipping over 5-10 pages at a time. At best, this is a book which will provide you a mediocre understanding of what separates PE firms from public companies.

The Private Equity Edge is a very unique business book which should appeal to business leaders, investors and all those interested in business wealth creation, corporate governance, setting appropriate business incentives & goals, compensation, and general economic issues including tax

policies, economic risk and the impact of Federal Reserves policies on the economy. The book is well written and easy to understand and incorporates over 100 years of business experience by the authors. What is truely amazing is the breath of knowledge by the authors. Key take aways include:- How is economic value created- Consideration of the "people effect" in all decisions- The impact of taxe rates on all economic activity and corporate value- The importance to aline incentives with business goals to have good outcomes- The importance of Cash Flows, Capital Investment, and cash returns exceeding the cost of capital to creat wealth & value- Stock prices do not produce normal distributions- Causes of the 2007 economic collapse- 100's of real life business examples of value creation & distruption

[Download to continue reading...](#)

The Private Equity Edge: How Private Equity Players and the World's Top Companies Build Value and Wealth Writing Term Sheets For Private Equity Funds: An Easy To Use How-To Blueprint (Private Equity Series) Getting a Job in Private Equity: Behind the Scenes Insight into How Private Equity Funds Hire The Valuation of Financial Companies: Tools and Techniques to Measure the Value of Banks, Insurance Companies and Other Financial Institutions (The Wiley Finance Series) Valuation for M&A: Building Value in Private Companies Tax-Free Wealth: How to Build Massive Wealth by Permanently Lowering Your Taxes (Rich Dad Advisors) Rich Dad Advisors: Tax-Free Wealth: How to Build Massive Wealth by Permanently Lowering Your Taxes Inside Secrets to Angel Investing: Step-by-Step Strategies to Leverage Private Equity Investment for Passive Wealth Creation Private Equity 4.0: Reinventing Value Creation (The Wiley Finance Series) Offshore Companies: How to Register Tax-Free Companies in High-Tax Countries Legends: The Best Players, Games, and Teams in Baseball: World Series Heroics! Greatest Home Run Hitters! Classic Rivalries! And Much, Much More! (Legends: Best Players, Games, & Teams) The Insider's Guide to Attracting Private Money: Five Secrets to Fast, Unlimited Capital So You Can Save Money, Buy More Real Estate & Build Wealth The Masters of Private Equity and Venture Capital: Management Lessons from the Pioneers of Private Investing (Professional Finance & Investment) Good Profit: How Creating Value for Others Built One of the World's Most Successful Companies McGraw-Hill Education: Top 50 ACT English, Reading, and Science Skills for a Top Score, Second Edition (Mcgraw-Hill Education Top 50 Skills for a Top Score) McGraw-Hill Education: Top 50 ACT Math Skills for a Top Score, Second Edition (Mcgraw-Hill Education Top 50 Skills for a Top Score) Silver & Gold Guide Top Tips: Learn How to Quickly Invest - Build Your Wealth with Gold and Silver Bullion Equity Crowdfunding: The Complete Guide For Startups And Growing Companies Coin World 2014 Guide to U.S. Coins: Prices & Value Trends (Coin World Guide to Us Coins, Prices &

Value Trends) Legends: The Best Players, Games, and Teams in Football (Legends: Best Players, Games, & Teams)

[Contact Us](#)

[DMCA](#)

[Privacy](#)

[FAQ & Help](#)