

Palamon broadens governance in anticipation of accelerated growth

Palamon Capital Partners (“Palamon” or the “Firm”) today announces a structural reorganisation to prepare itself for accelerated growth. Co-Founder Michael Hoffman is appointed to the new position of Chairman of Palamon, enabling him to focus on expanding the Firm’s profile in the market and enhancing relationships with the wider investment community. Co-Founder and Managing Partner, Louis Elson, will lead a newly created Operating Committee which will direct the day-to-day activities of the Firm. Daan Knottenbelt and Erik Ferm, both Partners of Palamon, have also been appointed to the Operating Committee.

The restructuring initiates Palamon’s transition from its founder-led roots to a broader-based institutionalised partnership with ownership and responsibilities more widely distributed. Palamon believes that this approach will become more common for founder-based firms which will be required to scale up as a result of the rapidly changing environment for private equity. Under the broader structure Palamon will look to double in size over the coming three years.

Since Palamon’s establishment in 1999 it has raised €1.1 billion and made investments in 22 companies across eight country markets. With the success of Palamon’s maiden 1999 fund and the continued investment of its 2006 second fund, now 40% committed, the Firm has rapidly become a leading player in the European mid-market and is well placed to benefit from the rapid concentration of capital now targeting a select number of firms.

Michael Hoffman, Chairman of Palamon Capital Partners, commented:

“Palamon as a Firm is now well established: staffed by high quality professionals, driven by a focused and proven investment philosophy, and operated with a disciplined approach and effective processes. We can rely on those very strong foundations to help further institutionalise the Firm, affording Palamon the opportunity to scale effectively and safely.”

Louis Elson, Managing Partner of Palamon Capital Partners, commented:

“I am delighted to welcome Daan and Erik to the newly formed Operating Committee. Our ability to broaden the management of the Firm at this time reflects the calibre of the investment team and the strength of our collegiate culture. Indeed, all the pieces are now in place to scale up our investment activities and attract additional talented professionals to join our Firm.”

For further information

Palamon Capital Partners

Michael Hoffman
Louis Elson
Annette Wilson
Tel: +44 20 7766 2000

Citigate Dewe Rogerson

Patrick Evans
Toby Mitchenall
Tel: +44 20 7638 9571

Notes to the editors

Palamon Capital Partners

Palamon Capital Partners, LP is an independent private equity partnership founded in 1999, which is focused on providing equity for European growth services companies. Palamon, as a pan-European investor, originates, executes and manages investments in the UK, Italy, Spain, Denmark, Belgium, Sweden, France, and Germany. The Firm targets investments in companies where it can be the lead private equity provider and where the partnership's experienced principals can provide strategic direction and support to help build equity value. Palamon's investment team now comprises 11 investment professionals from eight different countries.

The Firm manages Palamon European Equity, L.P. and Palamon European Equity II, L.P., capitalised at €1.1 billion, and making up one of the largest pools of private equity capital dedicated to growth investment opportunities in Europe's mid market arena. Investors in Palamon funds are based mainly in the US and Europe and are among the most significant investment institutions in the world.

A. Michael Hoffman co-founded Palamon Capital Partners in 1999 and is Chairman. He is an American/Austrian national fluent in German and Dutch. Before founding Palamon, Mr Hoffman was Partner with Warburg Pincus for eleven years, having launched the firm's London office in 1987. Prior to joining Warburg Pincus, Mr Hoffman had a fifteen-year career as a management consultant with McKinsey & Co, Arthur D. Little, and Booz, Allen & Hamilton. Mr Hoffman received a BA cum laude from the University of Texas, an MA in international affairs from Columbia University, and an MBA from Harvard University. He serves on the Boards of a number of public institutions, including as a Governor of the Royal Shakespeare Company and as a Trustee of the Almeida Theatre in London, the Development Board of the Museum of London and the International Advisory Board of Columbia University.

Louis G. Elson co-founded Palamon Capital Partners in 1999 and is Managing Partner. He is an American national. As a former London-based partner of Warburg Pincus, Mr Elson has extensive experience in European private equity. Before joining Warburg Pincus, he was involved in investment banking at Goldman, Sachs & Co and in publishing at Time Inc. Mr Elson attended Eton College and received a BA with honours from Harvard University and an MBA with honours from the Colgate Darden School at the University of Virginia. He serves as a Trustee of Phillips Academy Andover as well as a Trustee of The Darden Society. In London, he serves on the Development Board of The Prince's Trust.

Daan A. Knottenbelt joined Palamon Capital Partners in February 2000 and became a Partner in January 2002. He is a Dutch national, is fluent in English and has a working knowledge of Spanish, French and German. He came to Palamon with six years' experience in management consulting with McKinsey & Co, having worked in the UK, the USA, the Netherlands and Belgium. Mr Knottenbelt graduated from Delft University of Technology in the Netherlands with an MSc in electrical engineering and undertook research work at the Ecole Nationale Supérieure des Télécommunications in Paris. He received an MBA from INSEAD.

Erik M. Ferm joined Palamon Capital Partners in January 2002 and became a Partner in 2003. He is a Swedish national and is fluent in English and German. Mr Ferm joined Palamon Capital Partners from UBS Capital, where he served for two years as a Director in private equity. He also spent more than seven years in international investment banking in Sweden as a Partner of Maizels, Westerberg & Co. Mr Ferm graduated from the Stockholm School of Economics, where he received an MBA.