

FIRST ROUND

iRR

Life just got a little bit easier for the Apple addicts in the private equity industry. There is now an IRR-focused application for the iPhone, iPad and iPod touch. Developed by Zuhanden, a German company that makes applications for Apple and Android products, the IRR Calculator can calculate IRR, money multiple and holding period, so long as the user can enter two of the three variables. The user can then tilt their iPhone right or left to see related tables like compound interest rates.

Zuhanden founder Hans Koenig said the idea for the app came from his past experience working several years for German fund of funds von Braun & Schreiber Private Equity Partners.

“The reason for programming the IRR Calculator was to give private equity professionals such as buyout or secondaries specialists a simple but very efficient tool to quickly judge the potential of deals,” Koenig said in an email. “They do not need to open an Excel sheet in order to answer questions like, ‘Given a minimum return of 26 percent on a deal and an expected multiple of 2x, in what timeframe do I have to realise the deal?’” The IRR Calculator quickly tells them the answer to the question is three years. ■



The IRR app: making life easier for GPs

Adding value

The Private Equity Foundation recently held its “full potential awards” dinner, which raised more than £500,000 for the charities that comprise PEF’s portfolio.

The evening, which was hosted by JPMorgan, allowed the PEF to honour both the youth that its 17 charities support as well as members of the private equity community that have donated their time and expertise to PEF’s charities.

Clifford Chance was named “most dedicated company supporter” in light of the 1470 pro bono hours it has dedicated to administer legal help to PEF charities. Deloitte partner David Evans was named “most dedicated individual supporter”, in honour of the 245 hours he has donated to PEF charities.

PEF named School-Home Support its “most successful portfolio charity”. The charity provides schools staff to help students deal with problems that could disrupt their education, including domestic violence. School-Home Support’s chief executive, Jan Tallis, said the charity’s growth and effectiveness had increased dramatically since PEF became an investor. “Our reach grew by 37 percent from January 2009 to April 2010, meaning we could support an additional 6,095 children and young people.” ■

QUOTABLE

“Just another variation on the theme of ‘heads they win, tails you lose’.”

Former Morgan Stanley banker **Stephen Morris**’s assessment of buyouts in his Centre for the Study of Financial Innovation (CSFI) report ‘Private Equity, Public Loss’.

“I am not entirely sure why investors are still so keen on private equity. But I would rather those managing my pension stayed out of it.”

Financial Times columnist **Tony Jackson** concludes his assessment of ‘Private Equity, Public Loss’.

“Seriously? Is it possible the author is right and everyone else is wrong?”

Doug Lowenstein, president of The Private Equity Council, reacts in a letter to the *Financial Times* to claims in ‘Private Equity, Public Loss’ “that an entire class of very sophisticated and savvy” institutional investors have been “duped by the PE industry into thinking the asset class delivers superior returns.”

“Real estate is tiring and boring ... art has zero downside.”

Colony Capital founder **Tom Barrack** discusses the pending purchase of Miramax films with the *Financial Times*.

“Financing looks a lot like it did in 2003 and 2004.”

TPG co-founder **James Coulter** tells the *New York Times* LBO activity is making a comeback.

“After three private equity deals, that’s a book.”

Jimmy Choo co-founder **Tamara Mellon** is asked by the *Financial Times* whether she has any tips for dealing with private equity investors.