

**Syllabus:**  
**MGMT 809-001: Private Equity in Emerging Markets**  
**Spring 2013 – Quarter 3**  
**M/W 1:30 to 2:50 PM**  
**(AUCTION VERSION)**

**Stephen M. Sammut**  
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**and**  
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**NOTE: THIS SYLLABUS HAS BEEN PREPARED AS A GUIDE FOR STUDENTS IN COURSE SELECTION. THE CONTENT IS SUBJECT TO MINOR CHANGE. THE COURSE REQUIREMENTS WILL BE SUBSTANTIALLY SIMILAR. THIS SYLLABUS INCLUDES THE COURSE AGENDA FROM THE SPRING OF 2012. IT IS INCLUDED FOR PURPOSES OF ILLUSTRATION BUT THE 2013 AGENDA WILL BE SUBSTANTIALLY SIMILAR.**

**1.0 Course Description:**

The course is designed for two realms of student interest:

1. Students with a serious interest in building a career (upon graduation or at some point in the future) in private investment activity in countries with transitional or developing economies, either as part of a corporate development effort, or through venture capital or buyout fund activity.
2. Students who expect to engage in entrepreneurial activity (upon graduation or at some point in the future), and who seek an understanding of the fundamental dynamics of venture funding as a way of building a company, or considerations for buying a company.
3. Or both at various times in their careers

**The Emerging Market and Developing Country Investment Problem**

Recently, books such as Hernando de Soto's *Mystery of Capital* and its "hands-on" counterpart C.K. Prahalad's *The Fortune of the Bottom of the Pyramid* have attracted the attention of scholars and policy makers on the possibility of promoting economic development at the grass roots levels of populations in distressed economic circumstances. Indeed, the United Nations

Development Program and the World Bank have studied and rethought their strategies for support of these markets. Such groups such as Endeavor and others are promoting these concepts on the ground; we are witnessing significant growth in microfinance, as well. Wharton is adding its own insights and energies to these issues, not only by serving as publisher of Prahalad's book, but also through faculty research on entrepreneurship education in these markets, and through such programs as the Wharton Global Family Business Alliance, new courses in social enterprise and entrepreneurship, and panels in many of the Wharton student club conferences. Such attention provides great hope for the future and should give students a heightened sense of enthusiasm (and urgency) for "double bottom line" business activity and the notion of "doing good while doing well." The instructor himself has embraced these concepts in his own work at Wharton and in the private sector—particularly in global health.

*Having said all of the above, MGMT 809 is not one in economic development per se, or for that matter a course in microfinance or the building of economic opportunity. While the instructor strongly encourages students to study and embrace the principles of the aforesaid shift in thinking, this course is much further downstream in business activity. We are concerned with the functioning and optimization of private equity as an asset class from an entrepreneurial and investment point of view. Students with a specific interest in studying the role of PEEM in economic development may focus their course project in that area after consulting with the instructor*

Classic investment issues in emerging markets and developing countries are readily characterized in basic economic terms such as information asymmetry, agency conflict, adverse selection, moral hazard, etc. The nature of these problems is largely inherent in the structure of the companies, the culture of family business and its requirement of control, a limited pool of management (especially with experience in global markets), and ultimately manifest in the ambiguity and volatility of the public capital markets where they exist in these countries. Consequently, private investment as fuel for economic growth is in relatively short supply. These problems have generally caused a slow down in capital formation and foreign direct investment for many African, Asian, Eastern European Latin American and Middle Eastern economies. In all of these regions, private equity has had a tenuous foothold at best, and even where the asset class appears vibrant there remains significant issues. Cases have been created or selected for major issues such as deal sourcing, project diligence, term sheets and governance, and are set in the so called "BRICS" countries with the "S" designating South Africa.

It is the case that "best practices" of private equity are still evolving in all markets, the US, Europe and Japan included. This course seeks to migrate at least the acknowledged best practices to the emerging markets, but in ways that are adopted to local business cultures and the realities of their capital markets. But most importantly, Wharton students are clearly capable of using their own knowledge, creativity and energy into deriving and ultimately practicing the next mode of best practices. Candidly, the instructor is expecting that students will do some of their best work at Wharton in this course.

To reiterate--using the readings, cases, class discussion, lectures, and the generous participation of expert guests, the instructor will drive the class to seek creative solutions to bring this asset class to maturity and sustainability.

## **2.0 Qualifying Students:**

The course includes some introductory material that overlaps with other Wharton course offerings, but the vast majority of material is unique to the course. While not pre-requisites per se, those students who have had or are taking such courses as:

MGMT 804: Venture Capital and Entrepreneurial Management  
MGMT 811: Personal Business Acquisitions  
FNCE 750: Private Equity  
FNCE 751: Buyout and Acquisition Finance

will have a stronger foundation to understand the principles of the course. In order to compensate for the knowledge gap that some students may have, the instructor will provide some basic reference material and hold a special session for students with no prior background in VC or PE.

## **3.0 Course Materials and Study Resources:**

### **Required:**

Course Pack. “Private Equity in Emerging Markets, 2011 Full Time Program Edition, compiled by Stephen M. Sammut

There will also be downloadable optional pack on study.net

## **4.0 Requirements and Grading:**

The major deliverable for the course is a project, typically done by teams of 4 to 6 students, although individuals and smaller teams sometimes submit. The project is 75% of grade. The balance of the points will be based on class participation. Class participation will be graded on the basis of comments and questions, leadership during case discussions, and bringing new information to the attention to the class and the instructor through the webcafe blog for this purpose.

The instructor will strictly adhere to the Wharton grading distribution policy.

## **5.0 Teams**

It is likely the case that many students registered for the course have prior relevant work experience—the instructor expects that those students will distribute themselves more or less evenly in the study groups of 4 to 5 students (see below) in order to share their knowledge.

## **6.0 Course Project**

Possibilities include: a research paper, creation of a case study, strategy for a given company, industry or venture fund in a given region or country. Students are invited to develop creative projects concepts and propose them to the instructor.

The instructor will meet with each team once their proposal is submitted in order to refine the topic, determine the scope, and design the deliverable that is the most sensible for the proposed project, i.e., the deliverable might take the form of a research paper, business plan, case study, or a PowerPoint depending on the circumstances.

A schedule of due dates for the proposal, instructor meeting, outline submission and final submission will be provided.

In order to allow students sufficient time to research and develop a suitable project submission, the instructor will announce a deadline that will follow Spring break.

## **7.0 Case Discussion**

The instructor will forego requiring the submission of written case memos. However, students will be responsible for leading discussion of at least two cases during the term that they will select. Participation in discussion and other contributions during class and on the webcafe blog will be closely monitored by the teaching assistants and factor fully into the 25% of the grade allocation

For the leadership cases, the students should be prepared to summarize the facts of the case, the issues, their approach to resolving the issues, and their view of takeaways. Students are invited to make up two or three slides for this purpose or distribute a “discussion” notes sheet, but it is not necessary to do so. Students will also find detailed questions for each of the cases either provided by the instructor or included within the cases themselves.

**Students read all assigned cases and review the guidelines whether or not they are assuming a leadership role.**

## **9. Course Calendar, Session Agenda and Key Submission Dates**

The Course Calendar is a separate document that will be updated periodically and is posted on the WebCafe. The general topics in the course are:

- Introduction to Issues in Private Equity in Emerging Markets (“PEEM”)
- Fund Formation and Capitalization
- Legal and structural issues in forming emerging market private equity fund
- Development of Fund Strategy and Managing Crisis
- Deal Sourcing, Due Diligence and Company Strategy in PEEM
- Valuation Issues in PEEM

- Term structure and negotiation in PEEM
- Exit Planning and Execution in PEEM
- Governance and Value-Add in PEEM
- Fund Performance and Evaluation Issues in PEEM

## 10.0 The Instructor

**Office:** 422 Vance Hall – an appointment matrix will be posted on the webcafe.  
**Telephone:** 610-202-6597  
**E-mail:** smsammut@wharton.upenn.edu

**By snail mail or over-night courier** please sign to authorize “drop-off:  
300 East Lancaster Avenue, Suite 1002, Wynnewood, PA 19096

## 11.0 Instructor Biography:

Mr. Sammut is Senior Fellow, Wharton Health Care Systems and Entrepreneurship, and Venture Partner, Burrill & Company, a San Francisco based life science venture capital fund and merchant bank. At Burrill & Company, Mr. Sammut focuses on Japan, Latin America and Middle Eastern venture activity, with a special focus on global health venturing.

At the Wharton School, and periodically in the University of Pennsylvania School of Applied Science and Engineering, School of Law and School of Medicine), he teaches venture capital management, corporate development, mergers and acquisitions, biotechnology entrepreneurship, intellectual property strategy, and private equity in emerging markets, and a special seminar on private sector participation in international health. He is faculty advisor to student-alumni organization called the Wharton Health International Volunteer Program (WHIVP) that provides *pro bono* consulting services to public health services and clinics in the developing world. WHIVP was awarded the Health and Human Rights Leadership Award by Doctors of the World for its decade long work in developing world health systems.

Mr. Sammut is also Founder and Chair of the International Institute for Biotechnology Entrepreneurship, a non-profit organization offering intensive training programs throughout the world for managers of biotechnology companies. He actively conducts research under a grant from the Bill & Melinda Gates Foundation, in collaboration with the McGlaughlin-Rotman Center for Global Health at the University of Toronto on the capability of emerging market countries in the biotechnology and pharmaceutical industries. He is also on the faculty of the World Intellectual Property Organization/UN executive education program. He is the coordinator of the Latin American Venture Capital Association (LAVCA) research partnership with the Wharton/Lauder Institute Program.

Mr. Sammut has been involved in the creation or funding of nearly 40 biotechnology, Internet, and information technology companies globally. He is on numerous Boards of Directors and Advisory Boards including Doctors of the World USA, Mitsubishi Corporation Life Sciences Business Group, the Royal Bank of Canada Technology Venture Fund, the Cornell University Research Foundation, Combinent BioMedical Systems, Dynamis Pharmaceuticals, Gentis, Biowizard.com, the Center for Medicine in the Public Interest, Red Diamond Capital (a mid-market buyout fund), the Asia-Alpha Venture Fund, and several other organizations. He is also on the editorial board of the European Venture Capital Association Publications, The Private Equity Review, the Journal of Commercial Biotechnology and the Biotechnology Business and Law Journal.

He is also active with the International Finance Corporation/World Bank Group where he authored the bioethics review framework for life science investments and serves on the Bioethics Advisory Board, serves as the principal

consultant in the IFC's Technology Transfer Facility, and advises the health care section of the World Bank in program implementation in the developing world.

Mr. Sammut previously held the positions of Vice President of Development of Teleflex Incorporated where he created and managed acquisitions and alliances, and at S.R. One, Ltd., GlaxoSmithKline's venture capital fund. He was also Managing Director of Access Partners, a venture fund focused on formation of companies around university technologies and capitalized by corporate strategic investors.

Earlier in his career, he was Managing Director of the Center for Technology Transfer at the University of Pennsylvania, where he spun out over one dozen companies over a two-year period. He held a similar position at Jefferson Medical College. He is also co-founder and former CEO of the Philadelphia Organ Transplant Program, the largest transplant organ bank in the United States. He holds degrees in biology and humanities from Villanova University, attended Hahnemann Medical College for two years and holds an MBA from the Wharton School of the University of Pennsylvania.

## COURSE AGENDA FROM SPRING 2012

**NOTE: THE SCHEDULING OF SPEAKERS FOR THE SPRING OF 2013 IS UNDERWAY. THE SPEAKER ROSTER WILL BE OF SIMILAR CALIBER TO 2012 AND WILL INCLUDE GUESTS FROM EACH OF LATIN AMERICA, CHINA, INDIA, MENA, SUBSAHARAN AFRICA AND RUSSIA.**

Session	Content	Reading Assignments	Leadership Cases to Discuss
<b>1</b>  <b>Weds</b> <b>January</b> <b>11</b>	<b>Introduction to Issues in Private Equity in Emerging Markets (“PEEM”) and Development of Fund Strategy and Managing Crisis</b>  -History and trends  -Contrasts with US/Europe  -Hierarchy of risks  -Risk mitigation strategies  -Role of PE/VC in economic development	Case: Kaizen Venture Partners  Article 1: How Venture Capital Works  Article 2: A Note on Private Equity Investing in Developing Countries  Article 3: Private Equity Investing in Emerging Markets  OPTIONAL Talmor and Vasvari, Pages 1 to 54	<b>Kaizen Venture Partners</b> <i>Location: Bulk Pack</i>  <b>Read the case in great detail. REQUIRED READING</b>  1. What challenges did Kaizen Venture Partners and the Dozie brothers face in starting a new fund? How did they overcome them? 2. What role did the Dozies’ personal and professional network play in starting KVP and sourcing deals? Is this role different from what one would expect in the West? 3. How did KVP’s initial model differ from traditional, western-style private equity? Why did they choose the model they did? What were the advantages and disadvantages? 4. Should KVP continue seeking investments across Sub-Saharan Africa, or should it go back to Nigeria? 5. How should KVP seek to organize itself? In a traditional western-style PE fund structure, or through deal-by-deal financing? 6. Should KVP continue to seek funding from Development Finance Institutions (DFI) or should it seek private investment? What are the advantages / drawbacks to each?
<b>Mon</b> <b>Jan 16</b>	<b>Join Regional/Country “Brain Trust”</b>		

<p style="text-align: center;"><b>2 Weds January 18</b></p>	<p><b>Deal Sourcing, Due Diligence and Company Strategy in PEEM</b></p> <ul style="list-style-type: none"> <li>-Evolution of fund development in selected emerging markets</li> <li>-Contrasts in India, China and Brazil</li> <li>-Role of governments in the building of a venture capital base in emerging markets</li> <li>-Approaches to inventorying base of opportunities</li> <li>- Understanding the point of view and expectations of entrepreneurs, families and existing owners</li> <li>-Identifying and navigating relationships with corporate partners</li> <li>-Working with international financial institutions, e.g., the IFC, World Bank and other regional development banks</li> <li>-Approaches to building deal flow in emerging markets</li> </ul>	<p>Cases: Ocean and Oil Holdings</p> <p><b>Other Readings:</b></p> <p>Article 4: From Investing in Emerging Markets</p> <p>Article 5: The Emerging Markets Phenomenon</p> <p>OPTIONAL: Talmor and Vasvari, Pages 54 to 107, and 235 to 251</p>	<p><b>30 minutes lecture</b></p> <p><b>50 minutes – case discussion</b></p> <p><b>CASE 4:</b> Ocean and Oil Holdings: Creating a Sustainable Private Equity Business in Africa, March 2006</p> <p>Discussion focus group: Africa Brain Trust All students to read case</p> <ol style="list-style-type: none"> <li>1. How would you propose integrating a new private equity business into the OOH organizational structure?</li> <li>2. Analyze the relative merits of OOH’s current structure, which is more akin to a conglomerate, and the classic US private equity model. Is the new private equity business the optimum way for OOH to maximize profits?</li> <li>3. Given OOH’s overarching objectives and the business environment in which it operates, what are key challenges facing: <ol style="list-style-type: none"> <li>a. OOH as a whole</li> <li>b. the new PE business in particular</li> </ol> <p>How can these challenges be mitigated in emerging markets?</p> </li> </ol> <p>:</p>
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	<ul style="list-style-type: none"> <li>- Special issues in setting up a system for deal processing</li> <li>-General transactional path</li> <li>- Special diligence factors in emerging markets and approaches to analyzing these</li> <li>-Challenges of deal origination</li> <li>- “Concept arbitrage”</li> <li>- Building companies around products or technologies transferred from other countries</li> <li>- The dangerous allure of “roll-up” strategies in emerging markets</li> <li>- Laying the groundwork for value added activity in the emerging market circumstances</li> </ul>		
<p style="text-align: center;"><b>3 Mon Jan 23</b></p>	<p><b>PE and VC Valuation Challenges in PEEM</b></p> <ul style="list-style-type: none"> <li>- Basic universal PE/VC valuation methods</li> </ul>	<p>Article 10: From Valuation of Companies in Emerging Markets</p>	<p><b>Lecture: 35 minutes</b> <b>Case discussion: 45 minutes</b></p> <p><b>CASE 12:</b> Enforta: Private Equity Investment in Russia, April 2010</p> <p>Discussion focus group: Russia/Eastern Europe Brain</p>

	<ul style="list-style-type: none"> <li>-</li> <li>- Special considerations in emerging market PE</li> <li>-</li> <li>- Special considerations in emerging market VC</li> </ul>	<p>Recommended: Bring a hard copy of the lecture slides to class.</p> <p>Optional: Talmor and Vasvari, Pages 207 to 234 and 255 to 280</p>	<p>Trust All students must read case</p> <ol style="list-style-type: none"> <li>1. From Enforta's perspective, would you invest into Instafon in Q1 2009?</li> <li>2. From the perspective of consortium of investors, would you want Enforta to invest in Instafon in Q1 2009? What issues would you consider?</li> <li>3. As Enforta's management, would you take a majority or a minority stake in the company?</li> <li>4. Given the financial condition of Enforta as of 1Q 2009, as an investor, would you try to sell your stake in the company and to whom?</li> </ol>
<p style="text-align: center;"><b>4</b></p> <p style="text-align: center;"><b>Weds Jan 25</b></p>	<p><b>Special considerations in term sheet provisions in PEEM – Part 1</b></p> <ul style="list-style-type: none"> <li>- IFC's "quasi-equity structures"</li> <li>- Country limitations in VC deal structure</li> <li>- PE and buyout considerations in deal structuring and contrast with US</li> <li>- Structuring PE deals without leverage</li> </ul>	<p>Review and bring to class the NVCA Term Sheet on the webcafe in Session 4 Material subfolder</p> <p>Recommended: Bring a hard copy of the lecture slides to class.</p>	<p><b>Lecture: 35 minutes</b> <b>Case discussion: 45 minutes</b></p> <p><b>CASE 4: Private Equity Investment in MOBY: Investing in China's New Media Sector, February 2006</b></p> <p>Discussion Focus Group: China Brain Trust All students must read case</p> <ol style="list-style-type: none"> <li>1. As an investor, suppose you're fascinated by the business prospects of converging media sectors, would you suggest to combine Moby with other new media entities under SMG? Why or why not? Would SMG view this as a good strategy? Which entity are you most interested in?</li> <li>2. Would you agree to Julia's market sizing approach?</li> </ol>

			<p>What are the six key variables Julia identified to size the market?</p> <ol style="list-style-type: none"> <li>3. In Julia's valuation, what percentage of the total company value was derived from exit value? Is this percentage in a reasonable range? Why do typical VC valuation method focuses almost entirely on exit value?</li> <li>4. Do you agree to Julia's overall valuation approach? Given the high uncertainty nature of the business and its identifiable key variables, especially, the timing of 3G license grants and the fluctuation of capital market condition as far as IPO is concerned, what other valuation techniques you may use to better reflect the underlining value beyond DCF and relative valuation? Would a phased investment scheme helpful?</li> <li>5. Do you think Julia's assertion that (her valuation suggests that) USD \$20 million for 20% interest is reasonable is a correct observation? What element she may have to consider to make a better assessment?</li> <li>6. Construct a table (as in Exhibit 8) to explain post money capital structure, calculate money to CEO and money to Moby. Now assume USD \$20 million new money, investor assume 30% post money shares, the CEO maintain 10% in the post money structure.</li> <li>7. Compare to the two offshore restructuring options: what do you see are the major differences between the two? Which one would you rather choose?</li> </ol>
<b>Thursday Jan 26 11:59 PM</b>	<b>DELIVERABLE: One Page Project Proposal to be posted on webcafe by 11:59 PM Thursday Jan 26</b>		
<b>5</b>	<b>Focus: China</b>	Readings:	Sino-Century is a China Private Equity Fund which pursues a non-leveraged growth capital strategy focused

<p><b>Mon Jan 30</b></p>	<p><b>Guest speaker: Anla Cheng Partner Sino-Century China Private Equity Partners, LLC</b></p>	<p>From webcafe in Session 5 Slides and Materials Folder:</p> <ol style="list-style-type: none"> <li>1. PE In China- EY Report</li> <li>2. Risky Business (K@Wharton)</li> </ol>	<p>on investing in three sectors: financial information services, sustainable environment and high-end manufacturing. The firm’s objective is to be the premier mid-market China private equity firm.</p> <p>Prior to joining Sino-Century, Ms. Cheng ran a Family Office of Asian Hedge, PE and Alternative Strategy Fund of Funds. Previous to this, she worked a Robert Fleming, New York as SVP and Head of Japan/Taiwan/ Korea Institutional Sales Group. She started her career at Goldman Sachs on the GNMA bond desk. She then moved on to Citigroup, where she started as Pacific Basin analyst, then later, became an Asian portfolio manager.</p> <p>Anla received her MBA from the Wharton School and graduated magna cum laude from the Pratt Institute. She speaks English, Chinese and Japanese. She is a Trustee of the following Boards: Committee 100; Facing History and Ourselves; Museum of Chinese in America and the Riverdale Country Day School. Her past Board affiliations include; Chair of ThinkQuest, The Browning School and the NY Community Trust.</p>
<p><b>6 Weds Feb 1</b></p>	<p><b>Special considerations in term sheet provisions in PEEM – Part 2</b></p> <p>-IFC’s “quasi-equity structures”</p> <p>-Country limitations in VC deal structure</p> <p>-PE and buyout considerations in</p>	<p>Read and Analyze the Case: Abraaj-Aramex Acquisition</p>	<p><b>CASE 6: The Abraaj-Aramex Acquisition, April 2008</b></p> <p><i>Discussion focus group:</i> MENA Brain Trust All students must read case. Matters to consider and develop:</p> <ol style="list-style-type: none"> <li>1. Qualitatively is ARAMEX a good LBO candidate for Abraaj. Why, why not?</li> <li>2. Discuss key risks involved in the ARAMEX buyout</li> </ol>

	<p>deal structuring and contrast with US</p> <p>- Structuring PE deals without leverage</p>		<p>including specifically those relevant for the minority investor.</p> <p>3. Qualitatively, what is your assessment of Abraaj's plan to generate value through the transaction?</p> <p>4. Quantitatively is the deal a good investment? Develop an LBO model and determine your projected IRR.</p>
<p><b>7 Mon Feb 6</b></p>	<p><b>Focus: Russia</b></p> <p>Guest Speaker:</p> <p><b>David Bernstein Director, Investor Relations Baring Vostok Capital Partners</b></p>	<p>From webcafe in Session 7 Slides &amp; Materials Folder:</p> <ol style="list-style-type: none"> <li>1. Russia PE – Still the Wild West</li> <li>2. Russia- Boosting PE</li> </ol>	<p>David Bernstein is the Director of Investor Relations and Fund Operations of Baring Vostok Capital Partners. He joined the company in 2003. His primary role is facilitating direct communication with existing and future investors. Before coming to Baring Vostok, David worked on micro-finance projects for the International Labor Organization (ILO) in Switzerland. From 1998-2001, he was employed as Senior Program Associate at Business for Social Responsibility in San Francisco, where he worked with US multinational companies on labor, environment and community development issues. David has a Bachelor's Degree in History from Columbia University and a Master's Degree in International Relations and Economics from Johns Hopkins University.</p>
<p><b>8 Weds Feb 8</b></p>	<p><b>Guest Speaker:</b></p> <p><b>Focus MENA</b></p> <p><b>VIA VIDEO LINK</b></p> <p><b>Fadi Arbid</b></p>	<p>SEE SESSION 6 ABOVE. READ Abraaj/Aramex case and <b>submit an answer to one question in your sub-folder in the</b></p>	<p>Fadi Arbid is the Chief Executive Officer of Amwal AlKhaleej, based in the firm's headquarter in Riyadh. Prior to that, Fadi was the EVP Country Head for Amwal in Saudi Arabia. Fadi joined Amwal AlKhaleej shortly after its inception and worked on sourcing, structuring, negotiating, and closing transactions in the Saudi &amp; Gulf markets. Prior to Amwal AlKhaleej, Fadi was an</p>

	<p>Chief Executive Officer Amwal AlKhaleej Riyadh, Dubai and Cairo</p> <p>Samer Sarraf Senior Vice President Dubai Office</p> <p>Noha Khattab Senior Vice President Cairo Office</p>	<p><b>Assignment Submission folder on the webcafe.</b></p> <p>From webcafe in Session 8 Slides &amp; Materials Folder read from among:</p> <ol style="list-style-type: none"> <li>1. ME Investment Survey Report</li> <li>2. Private Equity and the MENA Region</li> <li>3. ME – PE Primer</li> <li>4. Navigating Saudi PE Landscape</li> <li>5. Role of VC in Islamic System</li> <li>6. PE ME Assessing Crisis</li> </ol>	<p>Engagement Manager at Booz Allen Hamilton covering financial services, education, retail, and oil &amp; gas clients in Europe and the Middle East. Fadi also worked as an associate at Citigroup's Investment Banking division in London. Earlier in his career, Fadi spent few years working as an International Brand Manager for German Multinational Henkel in Paris.</p> <p>Fadi serves on the boards and committees of various Amwal AlKhaleej portfolio companies including Rowad Schools, Body Masters, and Al Tayyar (IPO Committee). Fadi was recently elected to the Wharton EMEA Global Executive Board. He is also co-founder and board member of Sanad Healthcare, a leading healthcare company based in Riyadh, and representing Fortune 500 companies.</p> <p>Fadi is also a visiting lecturer on Private Equity for 2nd year MBA students at the Wharton School. He holds an MBA from the Wharton School, University of Pennsylvania, double majoring in Finance and Entrepreneurship Management, a Postgraduate Diploma in Business Analysis from Lancaster University, UK, and an M.S. in Management from the Nantes Graduate Business School in France. Fadi is fluent in English, French, Arabic and Italian, and has basic knowledge of Spanish.</p>
<p><b>Thurs Feb 9 11:59 PM</b></p>	<p><b>Two page detailed project outline to be posted on webcafe by 11:59 PM Thursday, February 9</b></p>		
<p><b>9</b></p> <p><b>Mon Feb 13</b></p>	<p><b>Guest Speaker:</b></p> <p><b>Focus Africa</b></p> <p><b>Thomas Barry, CEO and Founder</b></p>	<p>From webcafe in Session 9 Slides &amp; Materials Folder read:</p> <ol style="list-style-type: none"> <li>1. McKinsey: Can</li> </ol>	<p>Prior to founding Zephyr, Mr. Barry was President and CEO of Rockefeller &amp; Co., the investment management arm of the Rockefeller family, from 1983 to 1993. Previously, Mr. Barry was employed by T. Rowe Price Associates, Inc. from 1969 to 1982. Among other responsibilities, he was President of T. Rowe Price New</p>

	<b>Zephyr Management</b>	<p>Africa Continue to Grow</p> <p>2. McKinsey: Drivers of African Growth</p> <p>3. PE in Africa- Lessons Learned</p>	<p>Horizons Funds, Inc., then the largest mutual fund specializing in small capitalization companies. Mr. Barry received an MBA from Harvard Business School in 1969 and an undergraduate degree from Yale University in 1966 where he majored in Latin American Studies. He is a Chartered Financial Analyst (CFA).</p>
<p><b>10</b></p> <p><b>Weds</b></p> <p><b>Feb 15</b></p>	<p><b>Focus: Latin America</b></p> <p><b>Guest Speakers</b></p> <p><b>Arturo Demalde</b></p> <p><b>Pablo Vera Pinto</b></p> <p><b>LeadGate Capital</b></p>	<p>Case: Turnaround of Pluna Airline by LeadGate</p>	<p><b>Full class:</b></p> <p><b>Pluna Airlines</b></p> <p><b>CASE 15: The Turnaround of Pluna Airlines by LeadGate, April 2010</b></p> <p><i>Discussion focus Group:</i> Latin America Brain Trust All students must read case</p> <p><b>Arturo Demalde</b> is a founding partner of <b>LeadGate</b>. He is currently a <b>member of Pluna's board of directors</b> and <b>Head of the Transformation Office</b>. Prior to Pluna he co-headed the turnaround effort at <b>Parmalat Uruguay</b>, which has been featured in a <b>Harvard Business School</b> class case. Before founding LeadGate, Arturo held managerial positions in strategy, sales, and marketing in the technology and telecommunications sector in Latin America, the U.S., Europe, and the Middle East for <b>Siemens</b> and <b>Dell Computers</b>. He holds a <b>Magna Cum Laude BA degree in Economics</b> from <b>Universidad de Buenos Aires</b> and an <b>MBA</b> with honors from <b>Harvard Business School</b>.</p> <p><b>Pablo M. Vera Pinto</b> is a Principal at <b>LeadGate</b>. He currently leads LeadGate's restructuring teams in its portfolio companies. He joined LeadGate from <b>McKinsey &amp; Co.</b> in Europe, where he worked on strategy development, commercial transformation and operational turnaround projects in the consumer goods and</p>

			<p>retail sectors. Previously, he worked in investment banking for <b>Credit Suisse First Boston</b> in New York, as part of its technology and media groups, and for <b>Lehman Brothers</b> based in Buenos Aires. Pablo has gained consulting and corporate finance experience in the U.S., Germany, U.K., Spain, Canada, The Netherlands, Brasil, Argentina and Uruguay. He holds a <b>BA degree in Economics</b> from <b>Universidad Di Tella</b> and an <b>MBA</b> degree from <b>INSEAD</b>, France.</p>
<p><b>11</b> <b>Mon Feb</b> <b>20</b></p>	<p>Focus India:  Amit Soni Vice Prsident General Atlantic Partners</p>		<p>Amit Soni is a Vice President at General Atlantic, a global growth equity firm, where he focuses on investments globally. He currently works in General Atlantic’s Mumbai office and leads firms investing efforts in internet and financial services space.</p> <p>Prior to joining General Atlantic, Amit worked at 3i Plc, a leading Europe based private equity firm, in their India office. While at 3i Plc, he worked on investments in Automotive, Media and Oil &amp; Gas sector. In addition, Amit worked at McKinsey &amp; Company, a global management consulting firm, advising clients in IT Services, Financial Services, and Pharmaceutical space. Amit also worked at the Bill &amp; Melinda Gates Foundation in setting up the largest HIV/AIDS prevention program in India.</p> <p>Amit holds a Masters of Business Administration degree from The Wharton School, University of Pennsylvania and a Bachelor in Technology in Electrical Engineering from Indian Institute of Technology, Delhi.</p>
<p><b>12</b> <b>Weds</b></p>	<p><b>Exit Planning, Alternatives and Execution in Emerging Markets</b></p>	<p>Read Yellow Pepper Case and <b>submit an</b></p>	<p><b>Lecture: 25 minutes</b> <b>Case Discussion 55 minutes</b></p>



<p><b>Feb 22</b></p>	<p>-Alignment with entrepreneurs' expectations and goals</p> <p>-Role and risks of local listing</p> <p>-Information resources for offshore listing</p> <p>-Inherent problems of illiquidity in emerging markets</p> <p>-Strategies for domestic and off-shore trade sales</p>	<p><b>answer to one question in your sub-folder in the Assignment Submission folder on the webcafe.</b></p> <p>Article 9: Corporate Governance and Private Equity</p> <p>Article 11: Why Focused Strategies May be Wrong for Emerging Markets</p> <p>Optional:</p> <p>Optional: Talmor and Vasvari, Pages 39 to 54</p> <p>Talmor and Vasvari, Pages 309 to 337</p>	<p><b>CASE 9: Yellow Pepper A Case</b></p> <p>All students must read case</p> <p>This is a case that will dwell on the role of IFI's, particularly the IFC, in frontier markets. In reading the case, consider: the IFC typically invested in debt-based, project finance and later-stage investments, and had limited expertise in early stage investments.</p> <ol style="list-style-type: none"> <li>1. What experience did the IFC have in managing early-stage equity investments?</li> <li>2. What value could they bring to the table in this particular situation?</li> <li>3. Would the IFC be able to provide on-the-ground resources dedicated to help Yellow Pepper's management in the same way a VC fund could offer?</li> <li>4. Would the internal IFC structure allow for sufficient contribution to the company?</li> </ol>
<p><b>Fri Feb 24</b></p>	<p><b>Post Project slides (4 to 5) on project by 11:59 PM, Friday February 24</b></p>		
<p><b>13 Mon</b></p>	<p><b>TEAM PROJECT PRESENTATIONS</b></p>		

<p><b>Feb 27</b></p>	<p style="text-align: center;"><b>Will operate multiple rooms</b></p> <p><b>Post WORK IN PROGRESS PROJECT SLIDES in the appropriate subfolder of the Project Master File on the Webcafe by 11:59 AM Friday, February 24</b></p> <p>Allow about 12 minutes for presentation and two or three minutes for discussion.</p> <p>This is the format you should follow:</p> <p>Slide 1: Title slide with team members  Slide 2: Project description</p> <p>Slide 3: If a case study, the targeted story; if a research project, your hypothesis or thrust</p> <p>Slide 4: Preliminary observations</p> <p>Slide 5: Suspected outcome</p> <p style="text-align: right;">Slide 6: Problems encountered/where we could use help</p>	
<p><b>14</b> <b>Weds</b> <b>Feb 29</b></p>	<p><b>Project Presentations</b>  <b>In-class take-away exercise</b>    <b>Instructor Summation</b></p>	<p>In our last class the Regional Brain Trusts will assemble at a blackboard to discuss the major lessons learned in the course. This sheet is meant to serve as a guide for each student to contribute his or her best thinking to that exercise. Between now and the last class, you should reflect on the issues described below, jot down some notes, or even contribute your ideas to your blog. Think about the readings, cases, lectures and guests.</p> <p><b>When you arrive at our last class, look for the blackboard with the name of your brain trust and gather with fellow members to do the following over a 30 minute period:</b></p> <ol style="list-style-type: none"> <li>1. Identify a spokesperson</li> <li>2. Identify a note-taker who will enter a summary of findings to the regional blog</li> <li>3. Discuss each of these categories and list a few <b>GENERAL GLOBAL</b> lessons</li> </ol>

		<p>for each:</p> <ul style="list-style-type: none"> <li>-- Fund strategy</li> <li>-- Deal sourcing</li> <li>-- Due diligence</li> <li>-- Valuation</li> <li>-- Term sheets</li> <li>-- The dynamics of transactions (with special thoughts on stakeholders)</li> <li>-- Governance and value-add</li> <li>-- Exiting</li> <li>-- Other matters not listed here</li> </ul> <p>4. Once you have listed your general global thoughts, identify how each of these has <b>special application in your country/region of interest.</b></p> <p>After 30 minutes, the class will take their seats and the each spokesperson will have up to five minutes to report to the class as a whole on each of the Brain Trusts' conclusions <b>as to the special applications.</b></p> <p>5. The designated note-taker will enter a report on the blog. All students are encouraged to add to the blog.</p> <p>Following the reporting of the discussions, the instructor will provide a brief summation on the course.</p>
<p><b>Monday March 26</b></p>	<p><b>Post FINAL PROJECT on webcafe by 11:59 AM Monday, March 26</b></p>	