

A Summer Reading List

August 11, 2009

As summer kicks into high gear, we asked a handful of professionals across the private equity world, including limited partners, general partners, placement agents, attorneys and academics, to provide us with their summer reading picks. Surprisingly, there wasn't a single duplicate. Here is a sampling of what we got and why.

T. Bondurant French, Chief Executive, Adams Street Partners LLC: *"How the Mighty Fall and Why Some Companies Never Give In" by Jim Collins*

"Most people think companies fail because of complacency but Collins' research shows that companies fail because they get overconfident and move too fast or take things for granted. Some of the venture and private equity firms have looked at this, saying what are the implications for us? Should we have moved into all of these new markets? Maybe not. I wish that this book had been delayed a year because there are all these good case studies that could have been included."

Ed Kane, Senior Managing Director, HarbourVest Partners LLC: *"Global Trends 2025: A Transformed World" (available for free download [here](#).)*

Christopher Ailman, Chief Investment Officer, California State Teachers' Retirement System: *"Corpocracy: How CEOs and the Business Roundtable Hijacked the World's Greatest Wealth Machine—and How to Get It Back" by Bob Monks*

"Personal reflection on the change in corporate governance by one of the founders of shareholders rights."

Steven Kaplan, Neubauer Family Professor of Entrepreneurship and Finance, The University of Chicago Booth School of Business: *"Atlas Shrugged" by Ayn Rand; "Investment Banking, Institutions, Politics and Law" by Alan Morrison and William J. Wilhelm; "Shogun" by James Clavell*

On "Atlas Shrugged": "While there is much in the book that is unrealistic/over the top, the book effectively and pointedly highlights the conflict between equity/socialism and efficiency/market capitalism that is now in the news virtually every day. And, of course, the book champions efficiency."

On "Investment Banking": "A terrific book that does two things at once. First, it describes the history of investment and merchant banking. This will be of interest to anyone involved in

private equity. Second, the authors explain what investment banks actually do and why they need to exist. This is helpful in thinking about how to negotiate with and deploy investment bankers.”

On “Shogun”: “A page turner that takes place in 17th century Japan. The relevance for PE investors is the main character Tokugawa. He is a brilliant strategist who shows how important it is to understand deeply the incentives and motivations of allies and competitors.”

Brent R. Nicklas, Managing Partner, Lexington Partners Inc.: “*Outliers: The Story of Success*” by Malcolm Gladwell and “*The Snowball: Warren Buffett and the Business of Life*” by Alice Schroeder

Steven B. Klinsky, Founder, New Mountain Capital LLC: “*Blood and Thunder: The Epic Story of Kit Carson and the Conquest of the American West*” by Hampton Sides; “*The Way of Man: According to the Teaching of Hasidism*” by theologian Martin Buber; and “*MoneyBall, The Art of Winning an Unfair Game*” by Michael Lewis

On “Moneyball”: “Remains a great allegorical read on the art of investing and how to separate substance from smoke.”

Julie Richardson, Managing Director, Providence Equity Partners: “*White Tiger*” by Aravind Adiga; and “*Restoring Financial Stability: How to repair a failed system*” by Viral Acharya and Matthew Richardson

On “White Tiger”: “Humorous, fictional telling of the success story of an Indian entrepreneur [that] provides interesting insights on day-to-day life in India, and its class structure and tensions.”

Cathleen Ellsworth, Managing Director, First Reserve Corp.: “*The Lady and the Panda: The True Adventures of the First American Explorer to Bring Back China’s Most Exotic Animal*” by Vicki Croke; and “*Telluride Promise*” by Edward Massey

On “Lady and the Panda”: “A true story of a woman explorer (Ruth Harkness) pursuing a panda so that she could bring it back and introduce it to the West. While following her, you also see China through her eyes. Despite her remarkable journey, Harkness was derided and ignored by male adventurers. It would make an excellent film.”

On “Telluride Promise”: “A banker, C.C., foresaw the depression. Six weeks before the crash, C.C. set in motion his plan to protect his depositors by arranging for a ‘loan’ from New York banks. Pursued by the ambitious and the rich and powerful, brought to trial on charges that were not actually for the crime he committed, he pled guilty partly to protect his family and friends from further harassment, mostly because it didn’t seem right just to beat the system. Six years later, three months before FDR signed the National Banking Act, making his crime the law of the land, he was quietly released from prison. He tells his own story from the vantage point of his last days as an obscure Fuller Brush man of 83.”

Michael Goss, Managing Director, Bain Capital LLC: “*Fool’s Gold: How the Bold Dream of a Small Tribe at J.P. Morgan Was Corrupted by Wall Street Greed and Unleashed a Catastrophe*” by Gillian Tett; and “*My Life in France*” by Julia Child

On “Fool’s Gold”: “A fascinating depiction of the factors in the credit derivatives and credit structured products markets that led us to the current financial crisis. Even more interesting is how all of this was happening right under our noses, but we didn’t have the perspective to understand it all until it was too late.”

On “My Life in France”: “A surprisingly engaging read. I was skeptical at first, but I read it on vacation after I had read all of my other books and my wife had finished this one. The book was part history - learning about life in post-war Europe, and part inspirational - about the joys of cooking and living in France. The book is not just about cooking, it’s also about patience and perseverance.”

Rodger Krouse, Co-CEO, Sun Capital Partners Inc.: “*Twilight at Little Round Top: The Tide Turns at Gettysburg*” by Glenn W. LaFantasie; and the “*Women of Genesis*” series by Orson Scott Card

On “Twilight at Little Round Top”: “I am a bit of an Abraham Lincoln and Civil War buff, and we’re taking a family vacation to Gettysburg this summer. The book retells one of the war’s bloodiest and most emotion-provoking battles as well as one of the war’s most interesting from a military standpoint.”

On “Women of Genesis”: “The books in this series are centered around the wives of the biblical patriarchs of the Book of Genesis. I find our complex biblical patriarchs and matriarchs to be vividly depicted with a paucity of words. We know and understand them to the core based only on a handful of important scenes, but actually know very few details of their lives. I look forward to reading how one of our most creative and prolific writers fills in the information gaps.”

Pauline Brown, Managing Director, Carlyle Group: “*Free: The Future of a Radical Price*” by Chris Anderson; and “*The Rise of Theodore Roosevelt*” by Edmund Morris

On “Free”: “Shows how companies in the digital age can out-run, or at least out-survive, competitors by giving away their products for free. After all, \$0.00 is an awfully good price for the buyer, and, as it turns out, may not be such a bad one for the seller.”

On “Rise of Theodore Roosevelt”: “Chronicles the journey of a leader who redefined our nation (and the Republican Party) and whose principles are as relevant today as when he articulated them. The book stands as one of the greatest biographies of our time.”

Kelly DePonte, Partner, Probitas Partners LLC: “*1491: New Revelations of the Americas Before Columbus*” by Charles C. Mann; and “*Extraordinary Popular Delusions and the Madness of Crowds*” by Charles MacKay

On “Revelations”: “Released in 2006, it challenges what you thought you always knew about Native Americans and the Americas before the Europeans, and what really caused their decline.”

On “Madness of Crowds”: “Written in 1841, it is still fresh today – it just needs updated chapters on the Internet bubble to go along with the South Seas bubble, and valuing sub-prime mortgage vehicles to go along with valuing tulips.”

John LeClaire, Partner, Goodwin Procter LLP: “*The Americanization of Benjamin Franklin*” by Gordon Wood

Dixon Doll, co-founder and General Partner, DCM: “*Getting Off Track: How Government Actions and Interventions Caused, Prolonged and Worsened the Financial Crisis*” by John B. Taylor; and “*Eyes on the Horizon: Serving on the Front Lines of National Security*” by Richard Meyers

On “Getting Off Track”: “This book is a very much needed and timely perspective on the financial fiasco of the last 24 months and suggested principles for future government actions.”

On “Eyes on the Horizon”: “This memoir is a timely discussion of what (and why) we need to know about international issues going forward written by one of the most respected senior military officials.”

James Garvey, Chairman of SV Life Sciences: “*Complications*” by Atul Gawande.

“It’s kind of a book version of the television show House. It has a lot of personal sparkle to it.”

Sandy Miller, General Partner, Institutional Venture Partners: “*Creative Capital: The Story of George Doriot and The Birth of Venture Capital*” by Spencer Ante; and “*Hot, Flat and Crowded*” by Tom Friedman

On “Creative Capital”: “We’re in a very challenging time now for venture capital and it’s instructive to look at how it got started. It’s helpful to look at the bedrock principles that we should get back to as we go forward.”

On “Hot, Flat and Crowded”: “It looks at why the green revolution is important and how we need to re-energize America and have a new energy policy.”

Beverly Berman, Director, THL Partners LP: “*Suite Francaise*” by Irene Nemirovsky