



Press Release

Paris, April 25th 2023

HEC Paris - DowJones 2022 Small-Cap Buyout Performance Ranking reveals dominance of Europe based private equity firms

The study, which is currently in its second edition, also revealed that the best returns are delivered by smaller players with a sector focus

Professor [Oliver Gottschalg](#) of HEC Paris business school released the latest edition of the HEC Paris - DowJones Small-Cap Buyout Performance Ranking, which shows the private equity firms that delivered the best returns in the small-cap segment.

The scores take into account different variables including a firm's aggregate performance based on all their buyout funds raised between 2009 and 2018. This year's results show the clear dominance of European firms, with ten in the top 20.

Renovus Capital Partners, based in the US, topped the list. GMT Communications Partners, which came second, is based in the United Kingdom while Via Equity is based in Denmark.

Surprisingly, the results show that these top three positions are held by players at the lower end of the 100M to 999M USD cumulative fundraising spectrum (all below USD 350M).

Professor Gottschalg said that this shows that the very best returns are with the very smallest players: *"These Top Three are - or present themselves - to be sector focus: Renovus on "Knowledge and Talent industries" across several traditional industry verticals, GMT with clear communications focus and VIA equity with tech focus."*

Secondly, the report also shows that exactly half of the worldwide Top 20 PE Firms are based in Europe while the other ten are based in the USA.

Professor Gottschalg said that the results show a strong representation of many players with origins in countries considered "2nd tier PE markets: Belgium, Denmark, Switzerland and in the Netherlands.

The HEC-DowJones 2022 Small-Cap Buyout Performance Ranking

Rank	Firm	Headquarters	Performance Score
1	Renovus Capital Partners	USA	3.16
2	GMT Communications Partners	United Kingdom	1.97
3	Via Equity	Denmark	1.88
4	Trinity Hunt Partners	USA	1.87
5	Falfurrias Capital Partners	USA	1.87
6	ArchiMed	France	1.79
7	WindRose Health Investors	USA	1.70
8	Imperial Capital Group	USA	1.33
9	DBAY Advisors	Isle of Man	1.28
10	Synova	United Kingdom	1.27
11	Ufenau Capital Partners	Switzerland	1.26
12	Vendis Capital	Belgium	1.20
13	Key Capital Partners	United Kingdom	1.19
14	Frontenac Company	USA	1.19
15	Main Capital Partners	The Netherlands	1.09
16	McCarthy Capital	USA	0.82
17	Atlantic Street Capital	USA	0.56
18	Bruckmann Rosser Sherrill & Co	USA	0.54
19	Polaris Private Equity	Denmark	0.49
20	Incline Equity Partners	USA	0.46

The small-cap ranking draws on a comprehensive set of data on PE fund performance sourced from preqin and directly from PE Firms and uses a unique methodology to calculate the aggregate performance of a PE firm based on different performance measures for all the funds managed by this firm. The method is able to aggregate performance across vintage years and considers relative and absolute returns. In total, Oliver Gottschalg analysed performance data from 563 PE firms and the 2021 funds they raised between 2009 and 2018 with an aggregate equity volume of \$1.51r.

This ranking answers the question: “Which firm(s) generated the best performance in its segment for their investors over the past years?”. It draws on performance information from all buyout funds

managed by a given PE Firm and aggregates their performance based on a novel and proprietary methodology (see below) into one overall performance score.

Professor Gottschalg gathered data, as of November 2022, on the universe of PE firms worldwide on which preqin provides performance data or which provided data directly to HEC Paris for the purpose of the performance rankings. This results in a sample of 563 PE firms and the 2021 funds they raised between 2009 and 2018 with an aggregate equity volume of \$1.5tr.

From this starting sample, he selected all those PE firms that met the following objective criteria:

- At least 2 funds which raised over the 2009 to 2018 period for which full performance information is available;
- Performance data available on all of these the funds
- Between \$100m and \$999m raised during this time;
- Investments in US, EU or global
- At least 10 observation years (i.e. the sum of the 'age' of all funds as of today);

Professor Gottschalg focussed his analysis to PE Firms that represent the Small-Cap segment of the Private equity universe, defined based on their cumulative fundraising volume over the relevant vintage decade. He also made sure to exclude GPs who only disclose returns of their best performing funds and not to report any 'one-hit-wonders', hence the requirement to have at least 2 funds with full performance information and 10 'observation years'. Oliver Gottschalg did not consider funds raised 2019 or later, as their performance is still too unreliable to be judged at this point.

Since 2009, HEC Paris and DowJones have joined forces to publish regular rankings of PE Firms based on their historic performance and expected future competitiveness respectively.

About HEC Paris:

Founded in 1881, HEC Paris is a leading European Business School. Its ambition is to positively impact both businesses and society thanks to its three-pronged approach "**Think, Teach, Act**" and thus to contribute to a more inclusive, sustainable and prosperous world.

With 160 research professors from all around the world producing and teaching unique knowledge to **more than 4,500 students from 135 different countries**, the HEC Paris campus serves as a real laboratory for innovation and exchange which is open to the world's diversity and challenges.

Inspired by its 5 core values -**Excellence, Curiosity, Entrepreneurial spirit, Diversity and Responsibility**- HEC Paris offers a complete range of training courses for the leaders of tomorrow: the Pre-Experience Program, specialized masters, MSc, the Summer School, the MBA, the Executive MBA, the TRIUM Global Executive MBA, the PhD, as well as a wide variety of programs targeted to leaders and managers.

Press contact:

Julie Dobiecki - +33 6 37 39 62 99 – dobiecki@hec.fr