

Case Study: Providence Equity

The Company

Providence Equity is the world's leading private equity firm focused on media, entertainment, communications, and information investments. Providence manages approximately \$21 billion of equity capital. The firm's sixth fund, Providence Equity Partners VI, closed on \$12 billion in 2007, making it the largest sector-focused private equity fund ever raised.

The Challenge

Providence provides prospective investors with substantial amounts of current and historical data during the fundraising process so these investors can fully evaluate the potential investment opportunity. In the past, Providence's practice was to compile this information by hand, burn it onto a CD, and then mail by overnight mail to investors. This process was extremely time consuming and inefficient. In addition, once the CD was shipped it was impossible to update – providing new information meant that a new CD had to be created and resent to everyone.

Providence Equity was looking for a robust web-based solution that offered security and ease of use. The solution had to provide the ability to perform real-time updates for potential LPs and streamline the overall communication process with their LPs.

The Solution

Providence chose Data Exchange as a solution based on the security of the platform and its rapid deployment model. During the fundraising process for Providence VI, both Providence and its investors found Data Exchange to be intuitive and user friendly. Providence was able to organize and update their LP site with minimal assistance from SunGard. The firm's investors were also able to use the site with minimal guidance – they found the site easy to navigate and use to search for information.

A summary of the features Providence finds most useful:

- Digital Rights Management for PDFs
- Watermarks – Provides additional security by allowing Providence to stamp documents with confidential legends, user names, and dates.
- Real-Time Updates – Enables Providence to update information and notify all users when new information is available.
- Email Notifications – Enables Providence the ability to remind investors of closing dates by email.

As a result of its successful Data Exchange implementation, Providence plans to expand its use of Data Exchange by making its accounting documents for prior funds available on the Data Exchange site.