

HITACHI
Inspire the Next¹

Berkshire Partners Success Story

Berkshire Partners



 **Hitachi Solutions**



Berkshire Partners

CUSTOMER PROFILE

Berkshire Partners, the Boston-based investment firm, has invested in over 100 middle market companies since 1986 through eight investment funds with aggregate capital commitments of \$11 billion. Berkshire has developed specific industry experience in several areas including consumer products and retail, business services, industrial manufacturing, transportation and communications. Berkshire has a strong history of partnering with management teams to grow the companies in which we invest with the goal of consistently achieving superior investment returns. The firm seeks to invest \$50 million to \$500 million of equity capital in each portfolio company.

INDUSTRY

Financial Services

LOCATION

Boston

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- Eric Souza

Dynamics CRM

BOSTON PRIVATE EQUITY FIRM GAINS EFFICIENCY THROUGH HITACHI SOLUTION'S EXPERTISE

Berkshire Partners, the Boston-based investment firm, has invested in over 100 middle market companies since 1986 through eight investment funds. Like other private equity firms, Berkshire, takes majority or minority ownership of private businesses they deem promising.

Berkshire was seeking a solution to compile and access the data used to track, evaluate and manage the businesses in which it is invested or is considering an investment. They were also seeking an efficient means of communicating with their investors, which include foundations, university endowments and pension funds.

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Since its first fund in 1984, Berkshire has invested in more than 100 companies and currently holds interests in almost twenty. Over the years, it has taken ownership stakes and worked with management to provide growth for a variety of midsize corporations as diverse as Carter's, the nation's largest branded marketer of infant and young children's clothing, and Advanced Drainage Systems, a leading manufacturer of plastic pipe widely used in agricultural, mining forestry, civil engineering construction projects.





In 2010, when it came time to upgrade their processes, Berkshire turned to Hitachi Solutions to help the firm automate its efforts to keep in contact with its investors.

Berkshire was leveraging Microsoft Outlook/Exchange Server to track tens of thousands of phone calls, emails and other contacts with key constituents. Over time this proved to be inadequate, according to Eric Souza, Berkshire's Director of Information Technology.

Determined to find a new solution for their needs, the company discovered Hitachi Solutions the simplest way. "We did it through an Internet search," says Souza. "We were in the market for a CRM system. We knew we liked Microsoft Dynamic CRM because of integration with Microsoft Outlook/Exchange Server. We came across Hitachi Solution's website and saw that they'd earned an award as Microsoft's 2010 Financial Services Partner of the Year for the East Region [an award Hitachi Solutions won again in 2011 and 2012]. So, after doing some research and doing diligence about the company among our peers, we contacted them."

Geography might have been a problem because the Hitachi Solutions team is located in South Carolina, a long way from Boston and, Souza says, "We like face-to-face interactions." However, Hitachi Solutions solved that problem by connecting Berkshire with their veteran CRM specialist in Boston, who also had a background in financial services including private equity. And, said Souza, "instead of working in his own office, he would just come to ours, which was really valuable because he was able to interact with us on a daily basis." Prior to working with Hitachi Solutions, Berkshire tracked all their fundraising activities and interactions with investors within Microsoft Outlook and Excel, which were not primarily as comprehensive with respect to analytics and reporting as the firm would like, so, according to Souza, "we looked at a couple of alternatives. At the end of the day we decided on CRM because its baseline function is relationship management. And we decided to build our own fundraising module on top of that.





“We had Hitachi Solutions build us a fundraising workflow model which essentially tracked the entire life cycle of our fundraising activities. For example, for our latest fund, the tool tracks everything from the very beginning stages up to when we close on that fund. And it tracks very comprehensive data about the investor and provides a reporting element that was really important to us which we couldn’t do with Excel. Now, when our employees are going to meet with a potential investor, he or she can bring up an Investor Profile Report that provides a high level of pertinent information involving the investor that the individual might need to know.”

The third major application Hitachi Solutions provided Berkshire was tracking potential investments. Souza says. “We look at approximately 450 companies each year to potentially invest in.”

Each possibility requires a decision. “It could be anything from a quick review of the company to a thorough due diligence investigation involving numerous members of our investment staff and outside resources conducting heavy due diligence over the course of several months,” he continues. Either way, and whether or not Berkshire decides to invest, the entire life cycle of the possible deal must be scrupulously recorded for business, regulatory and other purposes.

“Hitachi Solutions, due to its experience working with private equity firms, was able to help us enhance the process of tracking these business flow activities,” Souza explains. “We had a great working relationship with the Hitachi Solutions team. Our system will require constant updates, so I expect we’ll be doing business with Hitachi Solutions for years.”

