
Our manifesto for next generation private equity.



WovenLight is a new kind of private equity investment firm.

Our founders came together because we share a belief that in 2020 the world changed forever. Maintaining the status quo in private equity investing may not be enough to build companies with the capability to create the better world we all want to see.

That's why we're going to do things differently.

As established practitioners in the fields of private equity, data analytics and technology, we asked ourselves a simple question: how can we build a new type of private equity firm that drives returns for investors as well as resilience and growth for portfolio companies?

Our answer is WovenLight: a hybrid investment and technology firm. We specialise in injecting data analytic capability into our portfolio companies, to maximise performance and value creation.

The founders driving WovenLight combine investment skills with data analytics and business performance improvement expertise. Our investment team worked together for 15 years at Charterhouse Capital Partners, a leading European private equity firm; our data analytics team spent ten years building QuantumBlack, an advanced analytics specialist acquired by McKinsey & Co in 2015. Together, we are creating a radically different investment culture and technical capability in our next generation Private Equity firm.

Data and analytics at the core of value creation

We believe that the application of modern data analytic techniques offers a new, powerful and more precise approach to operational improvement and earnings growth. The leading firms of the future will achieve their competitive edge by setting up and understanding data feedback loops, at scale.

At the heart of WovenLight is an analytics engine that powers a playbook of data-driven value creation initiatives. The playbook informs our approach to each stage of the investment lifecycle: — sourcing, acquiring, improving, reporting and monetising portfolio companies.

This leads to a re-engineering of private equity, as technology and data becomes interwoven with capital throughout the investment process, and it's the essence of the WovenLight approach.

Naturally, every investment we make will be judged on its financial returns. But we believe that we can secure these returns by embedding the capability to learn faster, and by fostering the culture to apply new knowledge quickly and repeatedly. In many ways, the private equity industry has barely scratched the surface of applying analytics to improve operating performance.

WovenLight's business will be built from the ground up to respond to the challenges currently undermining the traditional ways of generating value. Our portfolio companies will become better at what they do, how they do it, and how they fit into our new world.

It's what we think a new paradigm of data-powered, sustainable investment should look like.

Building the next generation of winning and resilient companies

The last thirty years were something of a golden age in private equity. The world was basically an orderly place. Which is something none of us could say about 2020.

Now, the triple challenges of climate change, diversity and globalisation require new approaches, not just to investment, but also to product development, manufacturing, sales, distribution and support. This is being amplified as geo-politics requires adaptation of supply

chains with modern capabilities re-emerging near shore. In the face of this disruption, we see a set of incredible opportunities — socially, economically, and technologically.

The next decade will require successful companies to build a different talent profile, investment processes, technical capability and, perhaps most importantly, culture. Within our portfolio companies, re-skilling employees and redesigning ways of working is the only way to reposition organisations to tackle these challenges, allowing them to thrive and protect livelihoods. And it's not just Fortune 500 incumbents or Silicon Valley unicorns we're talking about. As the 2020s begin amid unprecedented social and economic change, every company has essentially become a software company: with this challenge comes new opportunity, as the smaller and mid-size companies in which WovenLight invests have a chance to outperform their size.

Harnessing data and technology will be key to this success and that is what WovenLight's proven playbook enables.

We also recognise these essential shifts in process and culture within our own company. For us, this requires fully integrated engineering and investment teams throughout the lifecycle; from shaping an investment thesis, to conducting forensic data-driven due diligence, to transferring these operational capabilities into portfolio companies in order to create sustainable impact.

Our founders also believe many voices in the industry and media hold too narrow a focus on how a mix of 'big data', artificial intelligence and machine learning will automate jobs — and then companies — out of existence. However, WovenLight takes a more positive long-term view, believing that if data and analytics can be embedded into value creation at our portfolio companies, growth and sustainability will follow, protecting businesses and livelihoods.

The winners will be the early adopters who actively look to develop their own data capabilities and prioritise acquisitions that come furnished with rich internal datasets, ready to be leveraged to improve operations.

Culture and diversity driving performance

These challenges require a new type of private equity firm, built from the ground up to harness the benefits of diverse teams, skillsets and cultures spanning the worlds of finance and technology.

WovenLight's founders realised this had to be achieved by starting afresh, rather than attempting either superficial or painful modifications to existing firms. Firms which in many cases are still enjoying financial results that soften any desire for rapid and wide-reaching change.

With our data team having already built advanced analytics specialist QuantumBlack, and our deal team spending fifteen years at leading European private equity firm Charterhouse, ours is a uniquely powerful approach: using data to identify, isolate, and explain what drives performance, and then to exploit this with precise interventions from our proven playbook to capture meaningful performance improvement.

The result is that WovenLight is a new hybrid investment and technology firm that can deliver a fusion of best-in-class data analytics and deal craft to drive value creation across our portfolio companies.

Over the coming years, WovenLight believes this approach will revolutionise private equity.



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