

A “Leveraged Model”

An Interview with Lawrence Scott Greenberg,
Director and Executive Vice President, C. V. Starr & Co., Inc.



Lawrence Scott Greenberg

EDITORS' NOTE *Lawrence Scott Greenberg started his career at Bankers Trust and has more than 20 years of private equity experience. Greenberg received a degree in economics from New York University and a law degree from the Georgetown University Law Center.*

Can you give an overview of the investment program for C. V. Starr and your outlook for that part of the business?

We are primarily global growth equity investors, and we have a couple of unique attributes. First, because we have permanent capital, we have great flexibility in how we invest. Second, for a relatively small group, we have extraordinary reach.

Our principal areas of interest are energy, financial services, health care, real estate, and transportation and logistics. We will invest both as a lead and alongside other investors that we think bring specialized knowledge in industries or regions that we want to be in. We spend a lot of time looking for these investors.

Your capabilities at C. V. Starr seem so much broader than the number of people you have or the size of the company. How are you able to do that?

Some of it is a function of the sheer experience and the reach of the professionals that we have. It's a unique mix of people who have been global throughout their careers. We also deploy a leveraged model, meaning that rather than having 50 energy professionals around the

world who work for us, we'll find the best energy investors and invest with them.

In terms of opportunities in emerging markets, is your focus on the BRIC [Brazil, Russia, India, and China] countries, or is it much broader?

Those are great markets, and we're in them in varying degrees, but we have invested and plan to extend well beyond the BRIC countries.

Are there opportunities that present themselves in a market like this one, or are the deals not there?

We think there will be extraordinary opportunities here, although it is a little early yet.

Do you foresee your focus on industries and specialties remaining relatively consistent, or will there be new areas that present themselves as opportunities as you look forward?

We're open-minded. Those areas cover a lot of the GDP of the world, so those are big areas. But certainly we expect that over time, we'll add to what we have.

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Is it challenging to differentiate in this space, and can you really show what makes a brand unique?

Given the nature of our capital combined with our reach, we are highly differentiated.

How has technology affected the way you're operating the business?

Technology has given us real-time communication and rich information flow. We can get scale that 10 years ago would have required an organization at least 10 times our size.

In terms of the company's organization

structure, is there close coordination on the investment side with the agencies, or do they run relatively independent of one another?

They are completely separate businesses, but we happen to be trolling in many of the same industries or the same parts of the world, so we're always mindful of one another and refer opportunities.

Have you been happy with the level of talent you've found in this type of complex situation?

We've been fortunate to attract extraordinary talent. And at the end of the day, that's what makes our organization.

How challenging is it to budget your time? And in your role, how do you define your focus?

It's always challenging, and our breadth makes it even harder.

Has the business become more complex? And in terms of managing or evaluating risk today, are the issues different, or have they remained consistent?

It's far more complex today. You have a far more connected world in all ways. Distinctions between asset classes are more obscure, and it has become exceedingly difficult to identify and segment risk.

Your legendary father is Chairman of C. V. Starr. How do you contend with the potential challenges of working with family?

It has been great, and we've had a terrific time working together. I've learned a lot from him, and he has certainly helped me expand my horizons.

When you look a year or two out, what are the key areas of focus for you to make sure the business continues to grow and for you to continue the success you've had?

There are many more markets that we need to develop a presence in, and we need to continue to build our industry depth.

How challenging is it to turn the business off? And are you ever able to get away from it?

No. It's very challenging. Fortunately, I love what I do. Having said that, when I'm with my immediate family – my kids and my wife – I am with them. So if it's dinner, I'm with them. If it's their events, I'm with them. It doesn't mean that in between gymnastics events, I'm not looking at my e-mail, but when my daughter is performing, I'm all there. ●