

EPISODE SUMMARY:

In this episode of the Rainmaker Podcast, host Gui Costin speaks with Leon Brujis, founder of 65 Equity Partners, about his journey in private equity, the firm's investment philosophy, and his leadership approach. Leon shares his unique background, having grown up in a multicultural environment, which he believes has played a significant role in shaping his perspective in the investment world. After starting his career at Lehman Brothers and spending 16 years at Palladium Equity Partners, Leon sought a more entrepreneurial opportunity and co-founded 65 Equity Partners.

At 65 Equity, the focus is on providing partnership capital rather than control capital, which distinguishes the firm from traditional private equity models. They aim to work alongside family-owned and founder-led businesses, allowing them to retain control while providing the capital and guidance needed to help the business grow. Leon explains that the firm's strategy is based on the idea that businesses perform best when led by their founders or families, and 65 Equity aims to empower these leaders to execute their vision without taking away control.

Leon details how his firm is actively involved in the value creation process for its portfolio companies. He speaks about the five levers of value creation the firm uses: human capital management, commercial excellence, operational efficiency, digital transformation, and acquisitions. By leveraging these levers, the firm enhances its portfolio companies, increasing both their efficiency and profitability. Leon shares how 65 Equity often helps companies with acquisitions to scale, particularly when organic growth isn't enough, and explains how successful acquisitions need to align with the core business strategy.

Another theme discussed in the episode is the role of AI in private equity. Leon believes AI is a game-changer and will play a critical role in future portfolio management. He points out how AI can assist portfolio companies in areas like marketing, customer engagement, and data analytics, ultimately driving efficiency and boosting profitability. However, he also emphasizes the importance of knowing how to effectively deploy AI within portfolio companies.

Finally, Leon offers his thoughts on the importance of culture within portfolio companies. He stresses that a strong, open, and collaborative culture is essential for achieving sustainable growth and success, noting that founders and leaders must invest in fostering such an environment.