

LATIN AMERICA

General Atlantic buys into optimism

The firm recently named a managing director in Sao Paulo and completed a healthcare deal there



Oliveira: head of Brazil

Although General Atlantic has been active in the Brazilian market for nearly a decade, the firm has recently taken two major steps toward establishing itself as a major player in the country's robust private equity market.

At the end of last year, the Greenwich, Connecticut-based firm named Fernando Oliveira as a managing director and head of the Sao Paulo office. Oliveira was most recently a director at Grupo Icatu, a family office. He is supported in Sao Paulo by vice president Doug Scherrer and associate David Velez.

General Atlantic has invested roughly \$700 million in Latin America since 2000 – a relatively small proportion of the \$15 billion managed by the firm. But Brazil's presence in General Atlantic's portfolio looks set to grow.

Late last year the firm completed a major investment in Sao Paulo-based Qualicorp Group, a provider of healthcare benefits administration and brokerage services. The deal was led by managing director Jonathan Korngold, who heads up General Atlantic's healthcare practice from New York.

In an interview with *PEI*, Korngold noted the rising GDP of Brazil as well as the “near perfect correlation between per-capita GDP growth and per-capita spending on healthcare” as a key theme supporting the investment. His firm's investment in Qualicorp is a bet that Brazilian companies and individuals will increasingly adopt healthcare insurance plans. It is also a bet on Qualicorp's management, which Korngold says is “widely regarded as being among the very best teams in the Brazilian market and enjoys the respect of clients, partners and competitors alike”.

General Atlantic's detailed understanding of the Brazilian healthcare market impressed the management of Qualicorp, who now expect to benefit from the firm's global presence and long experience with other healthcare businesses in other countries.

Korngold, like his colleagues at General Atlantic and indeed many other Northern Hemispheric private equity firms, is impressed by the real changes that have occurred in Brazil's economy over the past five years. “There is great enthusiasm and optimism in Brazil right now, and it's infectious,” says Korngold.

Oliveira confirms this mood: “Having been an investor in Brazil for over a decade, I am excited about the specific momentum of the country and the many opportunities available to build world-class companies that target the domestic markets as well as expand globally.” ■