

Delivering Value

An Interview with Verdun S. Perry, Senior Managing Director, Blackstone and Global Head, Blackstone Strategic Partners

EDITORS' NOTE Verdun S. Perry is the Global Head of Blackstone Strategic Partners having joined the business in 2000, the year it was founded. Perry chairs the Investment Committee for each of the Strategic Partners funds and is currently an advisory board member of multiple third-party funds. Prior to joining Strategic Partners, Perry worked at Donaldson, Lufkin & Jenrette as an Associate in the Investment Banking Division. Prior to joining DIJ, he worked in the strategic acquisitions group at Bozell, Jacobs, Kenyon and Eckhardt, Inc. and in the Investment Banking Division at Morgan Stanley & Co. as a Financial Analyst. In 2013, Perry joined the board of Sponsors for Educational Opportunity (SEO), which is an organization focused on narrowing the opportunity gap for minority high school and college students, as well as increasing diversity in the financial services industry. He founded Blackstone's Diverse Professionals Network (DPN) in 2014 and chaired the network for its first six years. Perry serves on the boards of Morehouse College and the Blackstone Charitable Foundation. He was a member of the David Rockefeller Fellows Class of 2016. In 2021, he was selected as a Fellow of the fifth class of the Finance Leaders Fellowship Program and a member of the Aspen Global Leadership Network. Perry received a BA magna cum laude in business administration from Morehouse College in 1994, where he was elected Phi Beta Kappa, and an MBA from Harvard Business School in 2000, where he was a Robert Toigo Foundation Fellow.



Verdun S. Perry

FIRM BRIEF Blackstone (blackstone.com) is the world's largest alternative asset manager. It seeks to create positive economic impact and long-term value for its investors, the companies it invests in, and the communities in which it works. It does this by using extraordinary people and flexible capital to help companies solve problems. Its \$951 billion in assets under management include investment vehicles focused on private equity, real estate, public debt and equity, infrastructure, life sciences, growth equity, opportunistic, non-investment grade credit, real assets and secondary funds, all on a global basis.

How do you describe Blackstone's culture and how critical is culture to the success of the firm?

Blackstone is built around our greatest asset: our people. We've grown a great deal since our founding in 1985, but we still aim to give all of our people uncapped opportunity to build purposeful careers. Culturally, we hire for and foster entrepreneurship, integrity, teamwork, and excellence. We strive to be the best in the world at what we do on behalf of our investors and we're constantly looking for ways to serve them better.

Will you provide an overview of your role and areas of focus?

As Global Head of Blackstone Strategic Partners, I manage Blackstone's secondaries business. We provide liquidity to investors by acquiring interests across private alternative asset classes. We view these opportunities as

another way of driving value where others may not see it and we're one of the most active participants in the secondary market.

What was the vision for creating Blackstone Strategic Partners?

In 2000, Stephen Can founded Strategic Partners to purchase secondary LP interests in private market funds, which was a relatively new asset class at the time. I was fortunate enough to come into the role after spending a summer at DIJ between my first and second years at Harvard Business School, where I earned my MBA. The vision for the business was to deliver tremendous value for investors by providing liquidity to LPs who wanted or needed to sell their LP interests in otherwise long-term, illiquid private equity funds. In addition to acquiring interests in funds, we also co-invest alongside fund managers. We know that private markets can be complex and opaque, and we want our partners to view us as a helpful and trusted counterparty as they navigate this space.

How has Blackstone Strategic Partners evolved since its founding?

Since then, the asset class has grown significantly, as the primary market has grown, driving increased need for, and understanding of, the secondary market. To meet this growing demand, we've expanded our team and built dedicated infrastructure, real estate, and GP-led continuation strategies. Currently, we have \$67 billion of assets under management as of September 30, 2022; we've completed over 1,900 transactions; and we're invested in approximately 5,100 unique funds. On average, we have completed a new deal about every four to five days for the last 22 years.

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What have been the keys to Blackstone Strategic Partners’ strength and leadership, and how do you define the Blackstone Strategic Partners difference?

Since Stephen Can founded Strategic Partners in 2000, the team has always prioritized investing in and developing young talent – a priority that got me to where I am today. Historically, we have recruited talented, hard-working individuals directly from colleges and universities, mentored them, and trained them as they learn the skills unique to Strategic Partners’ secondaries business and to Blackstone.

In terms of what differentiates us – it’s our culture and our scale. Our cohesive culture built on mutual respect and a commitment to teamwork enables us to execute complex transactions seamlessly. In addition, the size of our team gives us the ability to work on transactions of all sizes, even in a high-volume environment. Our capacity to execute a high number of deals provides our professionals ongoing exposure to all different kinds of transactions and opens up opportunities for them to develop domain expertise.

How critical is it for Blackstone to build a diverse and inclusive workforce to bring diverse perspectives and experiences to the table when making business decisions?

Diverse perspectives make us better investors. At Blackstone, we value everyone’s opinion and encourage people to speak up. In 2014, I founded Blackstone’s Diverse Professionals Network – a community of diverse employees and their allies at the firm. Since then, this employee affinity network has expanded with dedicated communities for different racial and

ethnic identities that offer targeted programming and resources. These groups also offer avenues for mentorship and sponsorship, connecting the firm’s senior executives with more junior employees.

We also know how important it is to recruit and train diverse talent and continue to accelerate our efforts. We are focused on widening the funnel of applicants – our 2022 analyst class was sourced from 80 different global universities. This outreach involves providing access and early education opportunities to those at HBCUs and beyond. We partner with several external organizations to source top talent from the widest funnel possible, including Sponsors for Educational Opportunity, an organization where I serve as Vice Chair of the Board.

What do you see as Blackstone’s responsibility to the communities it serves and to being a force for good in society?

Blackstone operates as a good neighbor, responsible owner, and active community member. We invest on behalf of tens of millions of teachers, firefighters, and other pensioners and take that responsibility very seriously. Our scale allows us to do business all over – including in cities like Atlanta, where I have deep personal ties and where the firm has a significant impact on the community. Blackstone LaunchPad – the Blackstone Charitable Foundation’s career readiness and entrepreneurial skills-building program – launched at Morehouse College, where I am a proud alum and board member, along with other Atlanta HBCUs Spelman College and Clark Atlanta University.

What advice do you offer to young people interested in building a career in finance?

There’s a saying I like to use: “Stay hungry and humble.” I use it to describe my team at Blackstone Strategic Partners and I repeat it often to many young people looking for advice or guidance. It’s so critical to stay open to feedback and guidance as you pursue different opportunities, from a summer internship to a secondaries deal. You only learn by doing or asking, so raise your hand and speak up when you are looking for guidance or a steer on something. Most importantly, recognize that you can always be better. We should all pursue constant personal and professional improvement and stay intellectually curious.

You joined Blackstone over nine years ago. How do you think the firm will continue to evolve in the years ahead?

It’s an extremely exciting time to be at Blackstone and to be working in the alternatives industry. At Blackstone, we’ve made notable strides on diversity – our 2022 global analyst class is 47 percent women and our 2022 U.S. analyst class is 56 percent racially diverse – which we believe can help make us stronger, more innovative and better able to capitalize on opportunities others might miss. Those opportunities only continue to grow as alternatives become better known and better understood. I think Blackstone will leverage this increased awareness of alternatives to continue growing in both institutional and retail channels, while also strengthening our leadership in different asset classes and across geographies. ●

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