

Interesting People

William C. Stone
Founder, Chairman and Chief
Executive Officer
SS&C Technologies, Inc.

Interesting People

SS&C Financials, et al.

- Privately held
- Debt: publicly traded
- Annualized
 - Revenue, $23 \times 4 = \$92$ million
 - 20% invested in R&D
 - Operating income: $14.5 \times 4 = \$58$ million
 - Cash flow: $25.2 \times 4 = \$100$ million
 - ? EBITDA: value
- Offices:
 - 13 USA
 - 10 International
- Employees:
 - 1,200
 - 75 CPAs
 - CFAs
- 53rd on Business Week's List of 100 Best Small Companies
- 66th in Forbes 2006 top 200 Small Companies in the U.S.

Interesting People

SS&C

- Designs, develops and markets a broad range of highly specialized investment software and services to the global financial services industry; ? No financial advice
- Organizations served
 - Insurance and pension funds
 - Institutional asset management
 - Hedge funds and family offices
 - Treasury banks and credit unions
 - Municipal finance
 - Real estate management
 - Commercial lending
 - Financial markets
- 7,000 clients/more than \$4 trillion in assets

Interesting People

Family

- Evansville, Indiana; population 117,156
- Norbert and Patricia Stone
 - Indian Summer on Walnut Street
 - Family vinegar and cider business
 - 9 children: middle child
 - 23 grandchildren
 - 2 great-grandchildren
- Bill: Football captain, running back, linebacker; shoulder
 - NJ Stone Field
- Mary O’Daniel Stone
 - Cheerleader
- 3 children
- Father
 - “...There are no limits, anything is possible with hard work and a little luck...”
 - Football, Navy

Interesting People

The Adolescent Bill

- ? Passions
 - ? Sports
 - ? Academics
- ? Most vivid memories
 - Inter-family issues
 - “Getting along”
- ? Happy alone in your own skin
- ? When did you first discover your entrepreneurial eyes
 - ? Introspective/crowds

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Education

- University of Hawaii
 - 2 years
 - ? Why/why not
- Marquette University CPA
 - 2 years: accounting; securities
- KPMG; St. Louis
 - Insurance/securities brokerage firms
- Advest: Hartford, CT; stock brokerage
 - Operations/data processing
- Back to KPMG: consultant; securities
 - 18 months at State Street and USAA
- National Association of Securities Dealers license: 6, 7, 8 & 22: NYSE & CFTC

Interesting People

The Beginning of SS&C #1

- 1986: the Stone basement
 - Age 30, quit job (? Married); 4 employees
 - ? Green eyes
- CAMRA 1987: 3,600 feet; 17 employees
 - NCAA Baseball champs: **Indiana**
 - Heisman winner: **Tim Brown N.D.**
 - Average annual income: \$25,000
 - *Nothing's Gonna Stop Us Now* (Starship)
- 1988: 38 employees
- 1989: 26 employees; 12 terminated
- 1990: Conning Asset Management
 - Prior audit client
 - Investor

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The Beginning of SS&C #2

- 1995: \$18 million revenue
- 1996: NASDAQ; 20 businesses in 10 years
- 2007: \$1 billion purchase price
 - The Carlyle Group
 - 70% - 30% split - private company
 - Annual revenue increasing at record rates
 - Access to \$47 billion in capital

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The Carlyle Group

- International private equity partnership
 - 900+ DC employees
 - 485 investment professionals
 - 20 countries
 - William E. Conway, Jr.
 - Daniel A. D’Aniello
 - David M. Rubenstein
- Areas
 - Management buy-outs
 - Strategic minority equity investments
 - Equity private placements
 - Consolidations and buildups
 - Growth capital financings

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The Perfect Economic Storm: 1860/70

- Greatest economic transformation in history
 - Railroads built, Wall Street began, industrial manufacturing
 - All economic rules broken and remade
- Birthdates
 - John D. Rockefeller: 1839; 31 in 1860
 - George Pullman: 1831; 39 in 1860
 - JP Morgan: 1837; 37 in 1860
- Vision meets opportunity

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The Perfect Computer Storm: 1975

- 1975
 - NCAA Basketball: **UCLA**
 - Heisman: **Archie Griffin**, OSU
 - Average income: **\$15,000**
 - *One Flew Over the Cuckoo's Nest*
- Microsoft
 - Bill Gates: 1955; 20 in 1975
 - Paul Allen: 1953; 22 in 1975
 - Steve Ballmer: 1956; 19 in 1975
- Apple
 - Steve Jobs: 1955; 20 in 1975
- Sun Microsystems
 - Bill Joy: 1954; 21 in 1975
- SS&C
 - Bill Stone: 1955; 20 in 1975
 - **? Business perspective**

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The Adult Bill: Why and How Much?

- ? Impact: large family
- ? Passions
- ? Non-professional interests
- ? What makes your day job pleasurable
- ? What is the meaning to you of your day job
- ? How much, if any, dysfunctionality is just enough to allow you to succeed
- ? How do you handle the absence of failure

Interesting People

The Thought Process

- ? Preparation: vacant submerged submarine
 - Alone vs. isolated
- ? Information considered
 - Philosophy, psychology, cultural anthropology
- ? The pain/coming down
- “...Do you think on the margins of life, seeing the world with a view toward making sense of it...”

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The Business of Predicting the Future

- SS&C: “What we are trying to do is make sure we have solutions to where the money goes.”
 - Real estate, commercial loans
- ? Data visualization
- ? Financial services industry
 - Rough patch
 - “...morph itself into another highly profitable business organization...”
 - World is getting wealthier
- ? Bill Stone

Interesting People

Closing

- ? Wildest dream
- ? Ideal day
- ? With whom would you most wish to visit
- ? Would you rewind your life
- ? Be any person: living or dead
- ? Live during any other time
- ? Your regrets
- ? Any topic not discussed which you wish to discuss