Omnigence Asset Management: Private Equity Strategies and DPI

CALGARY, ALBERTA, CANADA, March 14, 2024 /EINPresswire.com/ -- Distributions to Paid-In Capital (“DPI”) measures the cash returns to investors relative to their initial capital. As professional capital allocators look to private equity for diversification and return benefits, it is valuable to consider how different private equity strategies may have different intrinsic DPI generating qualities.

A new Omnigence Asset Management report entitled DPI Maximization in Private Equity evaluates how a SME to Lower Mid-market roll-up (“SME Buyout”) strategy in an open-ended structure with non-discretionary cash flow sweeps (ongoing and on exits) can generate superior run rate DPIs compared to traditional private equity approaches such as MM to MM PE (“MM Buyout”).

Key Concepts:

• SME – small, medium enterprise
• PE – private equity
• MOIC – multiple of invested capital
• DPI – distributions to paid-in capital
• MM to MM PE is the strategy of acquiring mid-market size companies (EBITDA ~>$20M) and through roll-up or growth exiting when the company is still mid-market size (EBITDA ~>$50M).
• SME to Lower MM PE is the strategy of rolling up small & medium sized companies (EBITDA ~<$10M) to create lower-mid market sized companies (EBITDA ~$20M) for exit.

For a complimentary copy of this report, visit omnigenceam.com.

Who is Omnigence Asset Management?

Omnigence team members act as principals of the GPs of a series of alternative funds focused on finding unique sources of return across a board spectrum of strategies. Core members of the team have been investing together since 2007 with a track record of generating returns for both institutional and retail investors. We prefer novel and underinvested segments of the alternative universe in which to deploy capital. We seek to access strategies that might otherwise might not be on the radar of most investors. Smaller can often be beneficial. Less financialized market segments often exhibit higher returns and better capital deployment prospects due to reduced competition and useful correlation benefits and reduced volatility when compared to more mainstream alternative asset classes.

Matt Barr
Omnigence Asset Management
email us here

Matt Barr
Omnigence Asset Management
+1 587-349-9765
email us here
