

# MERGERS & ACQUISITIONS

## HGGC Revs Motor with 3 Deals

The firm, co-founded by former San Francisco 49ers quarterback Steve Young (pictured), announced purchases of AutoAlert, Polaris Library Systems and closed on a Jabil Circuit unit



By Allison Collins April 1, 2014

**HGGC** was not joking around this April Fools' Day – the Palo Alto, Calif.-based private equity firm announced two new deals and closed a third.

"We've never been busier," says HGGC CEO Rich Lawson. "We anticipate we'll continue to be extremely active because our model is resonating with people."

HGGC takes majority stakes in information services companies, generally in partnership with company founders who tend to reinvest in the deals. The firm will probably make about 10 core platform investments from its latest fund, according to Lawson. Aside from **AutoAlert**, a deal announced April 1, the firm's other recent platform deal is Serena Software, which HGGC announced it would buy from Silver Lake in March.

Serena makes software that aims to streamline information for companies.

The firm's acquisition of AutoAlert gives HGGC a foothold in the auto industry. Irvine, Calif.-based AutoAlert provides cloud-based data mining and portfolio management services to automotive dealers in North America. As is usual in HGGC's deals, the company's founders, Boyd Warner and Jeff Cotton, reinvested to take a significant minority stake in the business.

HGGC is planning for the company to grow organically and through add-on acquisitions – "we've identified numerous opportunities," Lawson says, pointing out that the firm often takes U.S. companies global.

HGGC also built up its investment in the library technology space by partnering with JMI Equity Polaris Library Systems.

The target, headquartered in Liverpool, N.Y., provides integrated library systems technology to U.S. public libraries. Polaris will be integrated into Innovative Interfaces Inc., a library technology company that JMI and HGGC invested in in 2012. Aside from its Emeryville, Calif. headquarters, Innovative has offices in Ireland, Spain, India, France and Taiwan.

Also on April 1, the firm closed a \$725 million deal for the aftermarket services business of Jabil Circuit Inc. (NYSE: JBL) The deal was originally announced in December. The unit, headquartered in St. Petersburg, Fla., provides aftermarket services to electronics manufacturers, retailers and service providers. The business will be added to HGGC-backed IQor Holdings Inc., a New York-based company that provides customer care, receivables-management and outsourcing services for brands.

The three April 1 deals add to two deals HGGC already announced in 2014, for Serena Software, and Dublin-based Buy4Now Technology Group, which added international operations to portfolio company

MyWebGrocer.

For more with Lawson, see "Pent-Up Demand for E-Commerce Technology Drives M&A."

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