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HGGC to Buy Control of Survey Sampling International

By **Michael J. de la Merced** November 10, 2014 6:44 am

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HGGC, a middle-market private equity firm, announced on Monday that it had bought a majority stake in Survey Sampling International, jumping into the business of providing corporate surveys.

Though HGGC is buying control from S.S.I.'s existing owners, Providence Equity Partners and Sterling Investment Partners, those firms will retain minority stakes in the business. Terms of the transaction could not be learned, but a person briefed on the matter said the deal valued S.S.I. at about \$500 million.

The deal will give S.S.I. a new owner as the 37-year-old company adapts to an increasingly competitive landscape for the surveying business, enabled by technology. One competitor, SurveyMonkey, raised nearly \$800 million last year from investors like Google Capital at a valuation of nearly \$1.4 billion.

But HGGC's bet revolves around its belief that S.S.I. — despite being located far away from Silicon Valley, in Shelton, Conn. — can compete against newer rivals by adding more technology to its existing offerings. The company has some 3,000 customers and 25 offices in 18 countries, and has reported

double-digit revenue growth in recent years, according to the person briefed on the matter.

Monday's transaction is the latest deal for HGGC, which has invested in companies including Serena Software, an enterprise software maker, and MyWebGrocer, a provider of Web and digital marketing services for traditional grocery stores.

Under the terms of the deal, Richard F. Lawson Jr., HGGC's chief executive, will become chairman of the survey company. Steve Young, a former professional football quarterback who is a partner at the private equity firm, will also join the board.