

## Video Highlights

### SPEAKER INTERVIEW



### CONFERENCE HIGHLIGHTS



### Final Highlights and Takeaways from PartnerConnect West

1. Rich Lawson, managing partner, co-founder and CEO, HGGC, discussed the firm's secrets to the strong performance of its \$1.1 billion debut fund, closed in 2009. Speaking during a keynote interview at PartnerConnect West this week, Lawson pointed to the firm's "relationship model" in which sellers typically re-invest a significant amount of capital in their businesses. In its last 44 transactions sellers have re-invested just over \$800 million alongside the firm, which manages \$2.4 billion. Case in point: In its recent acquisition of Serena Software from Silver Lake, HGGC bought 51 percent of the \$85 million EBITDA business, while the original founder, Douglas Troxel, bought the remaining 49 percent. Lawson also pointed to the firm's policy of providing ample co-investment opportunities to limited partners on a no fee, no carry basis. All told LPs have invested \$500 million alongside HGGC's last \$1.5 billion of primary fund investments. Lawson called the policy "very popular with LPs."

2. Chris Perriello, managing director, AlpInvest Partners, told attendees of PartnerConnect West this week that institutional investors are particularly drawn right now to U.S. and European mid-market and lower-middle-market investment strategies. For those fund managers with a "good track record" and a "repeatable strategy" that pre-dates the financial crisis, Perriello said, "there isn't a single one that isn't oversubscribed." Some of these firms are consequently "getting a little more aggressive on terms," he added. In some cases they're making their hurdles more favorable, in some cases they're providing less of a fee cut on co-investments.

3. Unlike some of its peers, TPG hasn't really done anything to break into the retail market with a conventional private equity product, said Jonathan Coslet, chief investment officer of TPG, speaking this week at PartnerConnect West in Half Moon Bay, California. "It's a market that at some point will be cracked, but I think it's still a ways away," said Coslet, adding that retail investors have a desire for liquidity that's for the moment incompatible with the asset class. Coslet said the firm was content to let other money managers develop the retail market. Then TPG would "figure out a way in."

### PartnerConnect Tweets

@KellieCh Generational shifts in VC..."Firms are moving offices from Palo Alto to San Francisco."  
#VentureCapital #PartnerConnect

@SteveGelsi #PartnerConnect: Emerging managers say level of scrutiny by LPs at an all time high

@agoldfisher "Be less black in your pitch." It's been said. How do you respond to that? #PartnerConnect #VentureAlpha

@mgboz AngelList has plenty of opportunity to scale, scale, scale. Its focus today: pre seed deals. @naval at #PartnerConnect

@agoldfisher The shift to SF is real. I can't tell if it's driven by youth, but it is a part of it #PartnerConnect #VentureAlpha...

@mgboz To focus discussions, Bain's CFO picks 5 investment commit members to evaluate early stage deals. Indranil Gupta @BainCapVC #PartnerConnect

@agoldfisher There's a talent war. The more successful companies hire diversity, the CEOs and their investors will change #PartnerConnect

@mgboz AngelList to eventually see more institutional capital than individual capital. @naval on new \$400M fund deal at #PartnerConnect

@agoldfisher At #PartnerConnect #VentureAlpha it's better to be on the panel of up and coming VCs instead of down and out...