

HGGC Picks Up Provider of Event-Management Software



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By

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HGGC acquired etouches Inc., a provider of event-management software, marking the firm’s final investment out of its \$1.33 billion second fund.

Norwalk, Conn.-based etouches provides cloud-based event management services, including registration, marketing, surveys, seating- plan managers and venue sourcing. Customers include National Public Radio, Ticketmaster Entertainment Inc., IKEA International AB and BNP Paribas.

The firm has committed “well over \$100 million” to the company, said Rich Lawson, a co-founder and the chief executive of HGGC. The firm’s average investment is between \$100 million and \$200 million, he added.

Mr. Lawson said etouches, which serves more than 1,300 customers world-wide, is considered the No. 2 player in the space after Cvent Inc., which Vista Equity Partners took private last year for \$1.65 billion.

As a result of the deal, the company’s previous owners and its senior management have

reinvested to take a “substantial minority stake” in etouches, according to a news release.

The company in 2010 received an initial round of funding from Greycroft Partners, Connecticut Innovations and Cava Capital, according to a release at the time.

In 2012, etouches said it received \$7.75 million in growth capital in a funding round led by Level Equity Management and including previous investors Greycroft, Cava and Connecticut Innovations, according to a news release at the time.

Growth-equity investor Argentum Capital, along with Level Equity, Connecticut Innovations and new investors such as First Analysis, provided a \$20 million fundraising round for etouches last year.

Mr. Lawson said his firm did this most recent deal without leverage and put cash on the balance sheet. He added HGGC is committed to fostering organic growth at etouches, adding the company would also be opportunistic about mergers and acquisitions.

He said the company’s top line has grown “in excess of 50%” over the course of the past four years.

The deal is the firm’s last from HGGC Fund II LP, which closed on \$1.33 billion in 2015. The firm said in December it had closed its third buyout fund with \$1.84 billion in capital.

HGGC invests in sectors that include technology and information services, business and financial services and industrial services. The Palo Alto, Calif., firm in February took a majority stake in Davies Group, a third-party administrator that provides claims and insurance services to clients in the U.K. and Ireland.