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HGGC's Next Play: A New Fund

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Associated Press/Andrew Innerarity

HGGC Managing Partner and former San Francisco 49ers' quarterback Steve Young goes for a first down during Super Bowl XXIX.

HGGC, the midmarket buyout firm which counts former San Francisco 49ers quarterback Steve Young among its founders, [is gearing up raise a second fund](#), aiming to match the \$1.1 billion it raised in 2009.

Having returned all of the committed capital from its first fund, HGGC plans to officially kick off marketing in the coming weeks, according to an investor familiar with the matter. The debut fund has posted strong returns from exits that include the \$1.5 billion sale of online commerce software vendor Hybris AG this month and the \$1.42 billion sale of Sunquest Information Systems Inc. in the summer of 2012.

The new fund comes as the Palo Alto, Calif., firm, formerly known as Huntsman Gay Global Capital, has rebranded itself and reshuffled its top management, with Co-Founder Richard Lawson taking over as chief executive from [Gary Crittenden](#). Mr. Crittenden stepped into the role in April 2012 after Founder and Chief Executive Robert Gay left the firm to take a position with the Church of Jesus Christ of Latter-day Saints.

The altruism of Mr. Gay, a former executive of Bain Capital, and chemicals tycoon Jon Huntsman—both of whom vouched to donate all of their carried interest to charities—and a 10% general partner commitment from the firm's professionals helped cement the alignment of interest for limited partners during the firm's first fundraising stint.

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