

Newsletter

How Bridge Growth Built Tech Companies to Sell to Cisco, Capgemini

by [Liana Baker](#)

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Buy and build

Alok Singh left New Mountain in 2013 to found Bridge Growth, a private equity firm focused on tech deals. Singh brought on some big names from the enterprise world to work with him, including former EMC Chairman and CEO Joe Tucci, who is a co-founder of the firm. While Bridge Growth might be focused on transactions in the lower-middle market, it's pulled off exits to some of the biggest names in technology. Bridge Growth announced the sale of Syniti to French IT firm Capgemini earlier this year and also sold Accedian to Cisco last year. There's only one company left in the portfolio (more on that later) but Singh says the firm is on the hunt for more deals. Here are some highlights from a conversation I had with Singh at the firm's bright offices on the west side of Midtown Manhattan.—Liana Baker

How did you get into private equity?

I was a financial analyst for several years and then I joined Bankers Trust. Bankers Trust was a very interesting place from the standpoint that it was one of the global international banks. I was able to get an amazing set of experiences including doing M&A, helping start up that business for Bankers Trust, doing private equity, co-investments and opening up a corporate finance office in Mexico. It gave me a lot of opportunity and experiences and that's how I ended up at New Mountain.

Sounds like it was a smooth transition from banking to PE.

At Bankers Trust, we were early LPs at firms like KKR, TPG and New Mountain too. Banks during that era were big providers of commitment capital to private equity. And GPs were much smaller. When I used to deal with KKR, it might have had at its start a billion-dollar fund. Forstmann Little had approximately a \$3 billion fund



Alok Singh Source: Bridge Growth

and that was big. These firms were the giants at that time. We used to do the co-investments because they didn't have necessarily all the equity capital that they needed and it was a way for BT to make additional capital returns. It was very much merchant banking.

Tell us about founding your own firm.

I was at New Mountain for 12 years and had been involved in their first three funds. When the firm was starting to go down the path of raising Fund 4, I decided that was the right time for me to go in a different direction to start Bridge Growth. We raised \$410 million in our first fund. Many of the investors were people who had seen what I had done at New Mountain. Neuberger Berman was a major investor with us.

What were some of your early deals?

We did our first investment in 2014 called CRGT. In 2015, we took that first company, CRGT, which we acquired from Veritas and we did a merger of equals with Salient to double the size. Then we sold that in 2021 to GovCIO, a business which was owned by Welsh Carson.

How does Bridge Growth stand out in the crowded market for tech PE?

You can fundamentally change the company that you own much more dramatically if it's a smaller company than if it's a billion-dollar-plus revenue business. So we not only chose to be a sector specialist, but we also chose to buy small or midsize companies because it's not like you're dealing with a multibillion company where you've got a massively entrenched

management team and it's hard to make transformation changes.

Who's on the team?

We have a very deep level of technology expertise in this firm at every level. We have an enormously strong corporate reach. My co-founder Joe Tucci, is the lead director of Paychex and he's also on the board of Motorola Solutions today. Tom Manley, a partner, used to be CFO of Cognos, one of the most important business intelligence software companies, which was bought by Steve Mills at IBM, who's one of our executive partners.

Tell us about Syniti and the sale to Capgemini.

We bought BackOffice Associates in late 2017 from Goldman Sachs merchant banking and since then we have totally trans-

formed this company, including renaming it Syniti in 2018. First of all, we took the software to the cloud. And it helped by buying a small business, Virtyx, which had a cloud product already. We also acquired another company, which had split off from BackOffice Associates well before we got involved during Goldman Sachs' ownership period, called DMR.

We did another acquisition to improve the product functionality and adding various capabilities, and we made our products easily accessible to SAP's clients globally. Syniti's applications assist large enterprises with data management, which is particularly relevant in the world of AI. That was followed by setting up partnerships with the systems integrators. We created a partnership with Capgemini and that's fundamentally the reason Capgemini is buying Syniti.

And what about Solace, which will be the last company in your portfolio once the Syniti sale closes?

It does low latency messaging. If you have a trade, there's like 15 pieces of data which have to go to different parts—compliance, reconciling, accounting, it's got to go to that person's account, etc. And everything has to be done simultaneously. And it has to be a hundred percent accurate.

We said there's applicability here for non-financial clients. So IKEA and United Airlines, among others, became clients for us. So that when you're going to the airport and your gate has changed, you don't go to the wrong gate, you actually get a message. A major competitor for Solace is Confluent, which is a public company. Solace also competes with products at IBM.