

# MERGERS & ACQUISITIONS

December 17, 2015

## THE MOST INFLUENTIAL WOMEN IN MID-MARKET M&A



### Hollie Moore Haynes

**Sphere of Influence:** After cutting her teeth at Silver Lake, where she worked on significant tech deals, such as the buyout of Seagate's hard drive unit, Haynes recently founded tech-focused PE firm Luminare

Before launching Luminare Capital Partners in 2014, Hollie Moore Haynes worked for more than 15 years at Silver Lake, one of the largest technology PE firms with \$26 billion under management. Haynes worked at the firm from its 1999 launch and helped lead its first big buyout in 2000, the \$2 billion acquisition of the hard drive division of Seagate Technology (Nasdaq: STX). She started a mid-market investment effort at Silver Lake about five years before leaving the firm, overseeing software investments.

Haynes says she was drawn to the software sector because of several trends that are creating investment opportunities. One is that starting a software company has become much less expensive with the easy availability of cloud computing, which has created a very fragmented market, with many founder-led companies and startups with small amounts of venture capital funding. Another trend is the shift in the enterprise software business model, from on-premises licensed software that requires clients to invest in servers and IT staff, to subscription cloud-based applications, such as Salesforce.com, which can make it easier for new software companies to generate recurring revenue streams, but more difficult to grow quickly. She started Luminare so she could build a brand around her middle-market software company investing, instead of working under the broader mission of a big firm, she says. Luminare does not compete with Silver Lake, and Haynes' former employer invests in her fund. Haynes continues to oversee her Silver Lake portfolio, including Blackline, a Los Angeles company that sells software to finance and accounting professionals.

Based in San Francisco, Luminate is focused on acquiring midmarket software companies—those with \$10 million to \$50 million in annual revenues—from the founders or early venture capital investors or in carve-out deals. The firm is interested in U.S. providers of business-to-business, enterprise software with an established product, a happy customer base, a market leadership position, a management team to partner with and the potential to grow 10 percent to 30 percent annually, along with certain software industry financial metrics. “Market growth and opportunity matters, because you’ve got to have enough wiggle room to get some things wrong along the way to try to grow the business,” she says.

In the firm’s first deal, Luminate bought the largest provider of convenience store back-office software in April: PDI, a Temple, Texas, company carved out from a company owned by Warren Buffett’s Berkshire Hathaway Inc. (NYSE: BRK.A). PDI controls about half of its market, running financials, inventory and pricing software for big convenience stores in the U.S.