

Sale of a Company

Client: Foglight Software

The Client: Foglight Software is a technology leader in e-business application monitoring and assurance. Foglight's Real-Time Application Performance System (RAPS) monitors the availability and performance of e-business systems. It identifies potential problems in time to correct their causes before impacting end-users. Foglight customers include: Cisco Systems, Lucent Technologies, Discover Brokerage, eBay, iVillage, Sun Microsystems, and Wells Fargo Internet Banking.

Sequoia's Challenge: Foglight had developed a well-architected and comprehensive solution. However, it had difficulty being noticed among the giant system software vendors that were selling old technology in new wrappers. Foglight's board asked Sequoia to find a home for Foglight that would provide both needed synergies with other Internet related system software products along with broad distribution capabilities. RAPS needed to be sold as part of a technology solution for e-Commerce companies needing ultra high availability levels and maximum performance.

Results: Many traditional systems software vendors expressed focused interest in Foglight. Yet, they lacked the dynamic growth and Internet culture necessary to win in the e-business space. In contrast, Quest Software, an industry leader in providing application and information availability software solutions, was growing at an incredible pace and fast becoming the largest solution vendor in this space, worldwide. Foglight was purchased by Quest Software for approximately \$140MM.

"I have known the partners at Sequoia for 18 years. I finally had the chance to work with them on the sale of a company. It was a real pleasure. These guys are true professionals - in every sense of the word."

Daniel V. Callahan
Chief Executive
Foglight Software