

Movers & shakers: Week of Oct. 30, 2006

by Dan Slater and Vipal Monga Posted 08:36 EST, 27, Oct 2006

Goodbye Goldman

David Fishman has been involved in some of the most high-profile technology acquisitions of the past 10 years. As a managing director at **Goldman, Sachs & Co.**, Fishman helped advise PeopleSoft Inc. in its \$10.3 billion hostile takeover by rival **Oracle Corp.**; **eBay Inc.** in its \$1.5 billion acquisition of PayPal Inc.; and Rational Software Corp. in its \$1.5 billion merger with **IBM Corp.** And the list goes on and on.

So why did he leave for private equity firm **Vector Capital Corp.**?

"I loved Goldman," says Fishman, 36. "It was just an opportunity to do something different — hopefully make a little more money and use a skill set that I find to be interesting. In the end, investing requires a more thoughtful and deep understanding of the business."

San Francisco-based Vector Capital typically invests in undervalued or undermanaged technology companies that many buyout firms avoid, then leads them through restructurings. Among its more successful investments was its take-private of packaged software maker **Corel Corp.** in 2003, which it brought public again earlier this year. It also has taken an activist role in a number of public companies and is currently teamed with **Inter-Tel Inc.** founder Steven Mihaylo to buy the enterprise communications company or put it up for sale.

Fishman says with the success Vector has had, he expects the firm to become more involved in larger-sized transactions. "I just like the model they are building," he says. "They're really smart guys, and they have a handle directionally on the right private equity mode. They're creative and do tricky, complex deals. It's a good complement to my skill set."

He says the supply of opportunities in the technology sector versus the number of private equity funds "is far better than it is in other industry sectors." In technology, he explains, "if you can find a niche where you're buying a company you can improve on, clean them up and know that you have an active strategic M&A market, that's a pretty good opportunity."

In addition to Fishman, Vector Capital also recently added Elizabeth Katz as a vice president. Katz had served as the director of corporate business development at PeopleSoft. —*David Shabelman*