



Press Release
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Launch of new HEC Paris-DowJones Growth Capital Private Equity Performance Ranking reveals strong dominance of US firms

The ranking reveals that the size of a firm is no obstacle to top performance, with "Growth Giants" making it into the Global Top 10.

Strategy Professor [Oliver Gottschalg](#) of HEC Paris Business School has released the first edition of the HEC Paris-DowJones Growth Capital Performance Ranking of Growth Capital Funds. The new ranking analyses the performance of private equity (PE) firms in growth capital investments, in other words, investments which target already profitable companies with the purpose of helping them grow further.

The ranking, an addition to the HEC Paris – DowJones Private Equity Rankings series, shows a strong dominance of US companies, accompanied by the presence of what is often labeled as the "rest of the world" from a PE perspective, with Japan, Vietnam, Hong Kong, and India featuring in the top 20. 12 out of 20 top companies are from the US.

Neither European nor UK-based growth capital players made it onto the list of worldwide firms. The three top companies include US-based Ampersand Capital Partners who topped the list with a performance score of 2.6, followed by Spark Capital at 2.21 and Spectrum Equity at 1.51.

Prof. Gottschalg explains that growth capital funds are difficult to define as definitions vary according to the stage of the VC fund, or if these are growth-oriented buyouts.

"However, given the increased relevance of this sub-asset class in private equity, we thought it was important to disclose further information and transparency with a new ranking. Our study is based on a clear categorization, following the definition as "Growth Capital Fund" of our primary external data source, Preqin," he explains.

Prof. Gottschalg analyzed performance data from 208 growth capital firms and the 390 funds they raised, with an aggregate equity volume of \$245bn. The ranking is unique in its methodology, aggregating performance across vintage years and considering relative and absolute returns.

This ranking lists the world's top private equity firms that raised over \$100m over a decade in terms of aggregate performance based on all their growth capital funds raised between 2009 and 2018.

The Worldwide Growth Capital Ranking

Rank	Firm	Headquarters	Performance Score
1	Ampersand Capital Partners	USA	2.60
2	Spark Capital	USA	2.21
3	Spectrum Equity	USA	1.51
4	Clairvest Group	Canada	1.43
5	Riyada Managers B.V.	The Netherlands	1.36
6	Ten Coves Capital	USA	1.27
7	Whiz Partners	Japan	1.24
8	Bregal Sagemount	USA	1.11
9	Insight Partners	USA	1.07
10	Summit Partners	USA	0.83
11	Verdane Capital Advisors	Norway	0.79
12	JMI Equity	USA	0.75
13	Camden Partners	USA	0.72
14	Keensight Capital	Paris	0.71
15	PENM Partners	Vietnam	0.62
16	FTV Capital	USA	0.51
17	Advantech Capital	Hong Kong	0.35
18	Faering Capital	India	0.34
19	Edison Partners	USA	0.27
20	Primus Capital	USA	0.23

Limited importance of size and sector

The results also found that the best-performing growth capital funds are not specialized in any particular "growth sector". „*In fact, all of the top five follow a rather diversified approach*”, adds Professor Gottschalg.

The ranking shows that only two of the top ten are explicit sector specialists: US-Based Ten Coves Capital with a focus on Financial Services and Japanese Whiz Partners with a Focus on Healthcare and adjacent industries. “*Not surprisingly, these are also the two fund managers with the lowest cumulative amount of capital raised in our vintage decade in the top ten,*” he adds.

In addition and as explained by Prof. Gottschalg: “*The results reveal that size is no obstacle to top performance, as ‘Growth Giants’ like Insight or Summit can make it into the Global top ten.*”

“*There is a noticeable concentration of fundraising volume in the top ten; considering the cumulative capital raised from 2009 to 2018, these two “heavyweights” jointly represent more than half of the capital raised by all of the top 20 Growth Capital GPs,* he explains.

This ranking answers the question: “which firms in the Growth Capital segment generated the best performance for their investors over the past years?”

The ranking draws on a comprehensive set of data on PE fund performance sourced from preqin and directly from PE Firms and uses a unique methodology to calculate the aggregate performance of a PE firm based on different performance measures for all the funds managed by this firm.

The method is able to aggregate performance across vintage years and considers relative and absolute returns. In total, we analyzed performance data from 208 Growth Capital firms and the 390 funds they raised between 2009 and 2018 with an aggregate equity volume of \$245B.

To obtain a most accurate picture of the universe of PE Firms and their investments, researchers drew on a variety of available databases and performed a number of cross-checks of the information used in this study. They used the preqin PE fund performance database as the primary database for fund performance information, in addition to an increasing amount of information directly provided by PE Firms to HEC Paris for the purpose of these rankings.

About HEC Paris:

Founded in 1881, HEC Paris is a leading European Business School. Its ambition is to positively impact both businesses and society thanks to its three-pronged approach “Think, Teach, Act” and thus to contribute to a more inclusive, sustainable and prosperous world.

With 160 research professors from all around the world producing and teaching unique knowledge to more than 4,500 students from 110 different countries, the HEC Paris campus serves as a real laboratory for innovation and exchange which is open to the world’s diversity and challenges.

Inspired by its 5 core values -Excellence, Curiosity, Entrepreneurial spirit, Diversity and Responsibility- HEC Paris offers a complete range of training courses for the leaders of tomorrow: the Pre-Experience Program, specialized masters, MSc, the Summer School, the MBA, the Executive MBA, the TRIUM Global Executive MBA, the PhD, as well as a wide variety of programs targeted to leaders and managers.

Press contact:

Julie Dobiecki - +33 6 37 39 62 99 – dobiecki@hec.fr

Elise Moyou – +33 6 98 15 01 82 – moyou@hec.fr