

# Dow Jones Private Equity Analyst

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## Rising Star

# Durban's Silver Tongue Helps Silver Lake Navigate Tricky Terrain

By Shasha Dai

Egon Durban hasn't printed a copy of his resume since college. Recruited as the first employee of Silver Lake Partners in 1999 from Morgan Stanley & Co., Durban never looked back.

Today the 37-year-old is part of a nucleus of rising stars at Silver Lake known as "the four amigos," the others being Mike Bingle, who leads financial technology deals; Greg Mondre, who heads investments in communications technology and Internet and IT infrastructure; and Ken Hao, who spearheads deals in Asia.

The four work closely together. Rod Reed, a vice chairman of investment banking at J.P. Morgan Chase & Co., recalled that after speaking with Durban about a deal, he was surprised at how up-to-speed Mondre was on the situation during a phone call a couple of hours later.

"They work arm-in-arm," Reed said. "It's hard to disintermediate the team."

Acquaintances describe Durban as having a rare combination of business acumen and people skills. His ability to recognize value and navigate thorny issues helped Silver Lake land some of its landmark deals, including Internet phone company Skype SA. They added that his determination and tenacity were critical in bringing a club deal for software vendor SunGard Data Systems Inc. back from the brink of collapse.

Shortly after Silver Lake signed a deal in 2009 to acquire a majority stake in Skype from eBay Inc. for \$1.9 billion, the departed founders of the company sued. They alleged that Skype violated a licensing agreement for its core technology, software that powers peer-to-peer communications.

There followed two months of "bone-crunching" negotiations, said a person involved. The parties settled the suit in late 2009, with the founders getting a 14% stake in Skype and \$34.6 million for the software. "Settlement of the lawsuit was critical to Skype," said Tony Bates, who was named the company's chief executive in 2010. "[Durban] got the hardest thing squared away."

His negotiating skills were tested again in a deal for satellite operator Intelsat Ltd., in which Silver Lake co-invested with BC Partners Ltd. Shortly after the deal was signed in June 2007, the credit crunch began. Banks involved tried to re-negotiate the terms, said Raymond Svider, managing partner of BC Partners. If news that the banks were balking had leaked, things could have turned ugly. Durban and Svider tag-teamed using a carrot-and-stick technique with the banks and succeeded in keeping a tight lid on the talks, said Svider. The deal closed in 2008.

Another landmark deal, SunGard, proved Durban's perseverance and industry relationships, people with knowledge of the matter said. When news of a pending deal was leaked in 2005, SunGard's stock price shot up. Five of seven members of a buyout consortium balked at the acquisition price, and SunGard's management gave Silver Lake 48 hours to sign a deal. Durban and Mondre worked the phone overnight, with Mondre lining up banks and Durban replacing two departing prospective investors with Goldman Sachs Capital Partners and Providence Equity Partners LLC.

John Waldron, head of Goldman Sachs Group Inc.'s investment banking division, described Durban as "a tenacious negotiator."

"He demonstrates real patience at the right moments and is brilliant at leaving a little on the table for both sides to feel good," Waldron said.

Egon Durban

Career Path

Joined Silver Lake in 1999 as a founding principal. Before 1999, he was an associate in Morgan Stanley & Co.'s investment banking division.

Education

B.S. in Finance from Georgetown University

Board Seats

Skype SA, NXP BV, Intelsat Ltd., SunGard Capital Corp.

<http://www.silverlake.com>