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## TECHNOLOGY

# Pivotal Group makes big purchase for fiber access

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A Phoenix-based investment firm plans to purchase part of a California communications and connection company in hopes of expanding its own portfolio to make access to network fiber easier.

Pivotal Group announced Sept. 8 it was acquiring the network services business unit of MegaPath Corp. for an undisclosed price.

Pleasanton, California-based MegaPath will merge with Chicago-based Global Capacity, a Pivotal Group portfolio company that offers connectivity as a service.

The acquisition will create a \$300 million company focused on landing customers in what is a \$318 billion global data connectivity market, said Pivotal Group founder and CEO Francis Najafi.

"This acquisition increases the size of our customer base and gives us access to the most extensive network serving over 50 markets and reaching over 14 million businesses," Najafi said. "This gives us instant scale and instant



Francis  
Najafi

competitiveness."

The plan is to combine Global Capacity's One Marketplace automated platform and cloud application with MegaPath's network infrastructure and delivery systems.

To accelerate this growth, Global Capacity needed to expand its scale and increase its competitiveness with competitive pricing. That's where MegaPath's assets come in.

"Our acquisition of MegaPath's network services business furthers our strategy to simplify network connectivity by creating one of the most innovative connectivity-as-a-service companies in the industry," Global Capacity President Jack Lodge said in a prepared statement.

Lodge will lead the combined company when the deal closes. The acquisition has been in the works for a number of months, and is not a "routine" transaction, Najafi said.