

Richard Lichter launches Causeway Equity

Partners to address fundraising gap

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The founder of Newbury Partners, Richard Lichter, has started a new venture to support small private equity firms struggling with fundraising gaps.

Causeway has introduced a fund aimed at capitalizing on a unique opportunity. This is due to the sluggish fundraising environment, which has impacted even strong firms with excellent track records. Known as Seasoned Primaries, these funds are 25% to over 50% committed at final closing, closely resembling traditional secondaries.

Causeway's fund will feature a 2-year investment period to help minimize the J-curve. Most

Seasoned Primaries can be found among small and middle-market funds, which represent an especially appealing market segment. Currently, more than 70% of these funds take over a year to raise capital. This presents a wider range of opportunities than has been historically accessible.

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Seasoned Primaries offer numerous benefits similar to those of traditional secondaries. However, they come with the additional advantage of significantly higher cash-on-cash returns. Much like traditional secondaries, these investments provide the benefit of choosing specific assets rather than relying on a blind pool, along with a diminished J-curve in comparison to standard primary investing.

By way of background, Lichter sold Newbury to Bridge Investment Group in 2023. During Lichter's tenure, Newbury successfully raised and deployed five secondary funds totaling over \$6bn in capital. Before his time at Newbury, Lichter co-founded Lexington Partners. Lichter is set to head the team at Causeway as Managing Partner, alongside Partner Alex Maloney and the rest of the team.

Source: [Wall Street Journal](#) & [Causeway Press Release](#)

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