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INDEPENDENT INVESTMENT BANKING FOR MEDIA,
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Tech M&A Update – *Mass Personalization and the Optimization of Everything*

This month's letter is written by Scott Peters, Co-President (see bio below)

Technology M&A this quarter has been robust, and two recurring themes run through most of the deal activity. First, companies are racing to acquire technologies that enable a more personalized connection with their end consumers. This “mass personalization” trend has evolved as large companies seek to better understand the interests and behavior of vast numbers of customers on a one-to-one basis. At the same time, companies are pushing to leverage technology and data to enhance business intelligence and optimize decision making – a theme that can be coined as “the optimization of everything.”

The arms race in mass personalization is being fought aggressively by the likes of Apple, Walmart, Google, LinkedIn, Salesforce.com, Twitter and Yahoo, among others. The race to optimize everything is being run by acquirers from every corner of the market. Private equity and venture capital investors are scrambling for ways to participate in both of these investment themes, before the strategic buyers pounce.

While Amazon (with its product recommendation engine) is still the poster child of mass personalization, the same approach is being pursued by many others seeking to personalize the user experience and drive ecommerce revenue. For example, Apple acquired BookLamp to essentially bring the Pandora music experience to the consumer book publishing industry. Salesforce.com acquired RelateIQ to enable its users to glean better insights surrounding customer relationships and interactions. Dropbox added a new layer of personalization to its platform with the acquisition of Predictive Edge, giving Dropbox the tools to empower marketers to enhance ecommerce opportunities through personalization, testing and targeting.

Pay particular attention going forward to the M&A activity around social media tech-enabled services. There are many very interesting earlier stage companies that leverage the data generated by social media platforms, such as Facebook and Twitter, to provide consumer insights and real-time analytics to large brand advertisers. Marketing budgets are increasingly shifting spend to this category, and the revenue opportunities for players in this space are very attractive. Good examples of such companies are Palantir Technologies, Expion and Tableau Software. Keep an eye on this emerging category.

JEGI had a hand in several transactions playing to these themes, including the sale of RKG to Merkle, to enhance Merkle's capabilities in search engine marketing; and the sale of a health information management company to improve the buyer's workflow solutions. Over the rest of the year, we expect an acceleration of acquisitions following these themes and should have several more transaction closing announcements in the category in the coming months.

These are our brief highlights for August. Stay tuned for the next issue, and please don't hesitate to reach out to us to discuss any topics related to “JEGI Tech Coverage” or your company's M&A strategy.

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July M&A Transactions in JEGI Tech Coverage

Buyer	Seller	Target Description	Enterprise Value (\$mm)
<i>Deals with Values (by size)</i>			
Google	Twitch	Operates a video platform and community for gamers.	\$1,000
Teleperformance	Aegis Business Group (Essar Global Fund)	Provides identity and access management solutions.	\$610
Facebook	LiveRail	Operates a monetization platform that provides online video advertising solutions worldwide.	\$500
Salesforce.com	RelateIQ	Offers an online relationship management platform that tracks and analyzes interactions.	\$390
Yahoo!	Flurry	Provides a mobile app analytics and data-powered ad platform to build, measure and monetize various applications.	\$240
LinkedIn	Bizo	Provides a business audience marketing platform that targets professionals internationally.	\$175
RTL Group	SpotXchange	Offers performance based video ad campaigns and targeting tools for brands to target and engage customers.	\$144
Rightser Group	Base79	Provides online video management services, including channel distribution, asset management, reporting, etc.	\$86
NetSuite	Venda	Provides cloud-based e-commerce solutions globally.	\$51
Teradata	Hadapt	Provides an adaptive platform to perform analytics on structured and unstructured data in private and public cloud environments.	\$50
Top Image Systems	eGistics	Provides hosted document storage and management solutions for healthcare organizations.	\$18
Google	Songza Media	Offers a music streaming and recommendation service with curated playlists based on time of day or a user's mood/activity.	\$15
iCAD	DermEbx; Radion	Operates as a technology company for skin electronic brachytherapy; provides oncology collaboration software.	\$13
Apple	BookLamp	Operates as an analytics startup that offers book recommendation services.	\$12
Innodata	MediaMiser	Develops and delivers media monitoring and analysis software for managing, searching and analyzing media coverage.	\$6
Single Touch Systems	DoubleVision Networks	Operates a mobile audience buying and targeting platform.	\$5
<i>Deals without Announced Values (alphabetical by buyer)</i>			
A Health Information Management Co.	A Health Information Management Co.	Provides health information management services and workflow solutions.	<i>confidential (JEGI deal)</i>
Add Shoppers	Sociaby	Operates a platform that provides social tools that enable retailers to offer discounts to their customers for sharing purchases.	
Adknowledge	TriVu Media	Provides TV-style contextual targeting to digital video advertisers and develops a video ad platform for entertainment marketers.	
Advanced Answers On Demand	Stratis Business Systems	Offers cloud-based home care software solutions to manage sales efforts, marketing activities and referral sources.	
Allscripts Healthcare Solutions	Oasis Medical Solutions	Offers electronic patient record systems for the healthcare sector.	

Buyer	Seller	Target Description	Enterprise Value (\$mm)
Azalea Health Innovations	simplifyMD	Operates a web-based platform for physicians and administrators to manage electronic medical records.	
Blackboard (Edelson, GE, Providence Equity)	Perceptis	Provides help desk support, strategic enrollment management, customer support, etc. to higher education institutions.	
Dropbox	Predictive Edge	Operates a web platform that empowers marketers for e-commerce personalization, testing and targeting.	
Edafio Technology Partners	Coleman Technologies	Evaluates, implements and maintains electronic health records.	
ENDEXX Corp.	GreenLeaf Consulting	Provides advisory services for software preparation, licensing and compliance protocol in the medical marijuana industry.	
Exlservice Holdings	Blue Slate Solutions	Specializes in solving complex IT and business process challenges for the healthcare, insurance, media and software industries.	
First Data Corporation (KKR)	Gyft	Offers a platform for managing digital gift cards from mobile phones, as well as an iPhone app to access the platform.	
GetWellNetwork	Marbella Technologies	Provides hospitals with an automated mobile and web-based patient rounding solution that improves perception-of-care.	
GoDaddy (KKR)	Canary Calendar	Provides an iPhone app that helps Google Calendar users to schedule meetings efficiently.	
Great Hill Partners	Qualifacts Systems	Provides SaaS and web-based electronic health records for the behavioral health and human services market.	
GTCR	XIFIN	Provides health economics optimization solutions to the healthcare diagnostics industry.	
Houghton Mifflin Harcourt Publishing	SchoolChapters	Provides childhood education online portfolio management solutions.	
Lexalytics (Ifonics)	Semantria	Provides an analytics tool for monitoring and visualizing Twitter tweets, Facebook posts, surveys, reviews and more.	
Liberty IT Solutions	Warrior Technology	Provides technology solutions for government healthcare, security and intelligence clients.	
LinkedIn	Newsle	Operates an online web app that tracks people in the news.	
Lumin Medical	PatientTrak	Provides cloud-based patient tracking solutions.	
mBlox	Cardboard Fish; Zoove	Provides mobile messaging services; provides mobile direct response solutions.	
Merkle	RKG	Operates as a tech-enabled search and digital marketing agency.	<i>confidential (JEGI deal)</i>
Motivation Science	Infometers	Offers a web-based platform that allows medical patients to be connected to remote healthcare monitoring devices.	
Novetta Solutions (Arlington Capital)	Global News Intelligence	Specializes in measuring and analyzing sentiment and influence by location, across social and traditional media.	
Pinterest	Icebergs	Specializes in online content organizing, visual discovery and sharing tools.	
Qualcomm	Empowered Careers	Develops a learning platform to engage students and faculty on various devices.	
RevSpring	Talksoft Corporation	Offers patient reminder systems from phone, email, mobile app and text message.	
Scribble Technologies	Altcaster (Demand Media)	Operates a live-event publishing platform that features social television, live blogging, news and chat events.	

Buyer	Seller	Target Description	Enterprise Value (\$mm)
Source Medical Solutions (ABRY, VSS)	Encircle Healthcare Management	Offers technology to connect doctors, facilities and insurance payers over the Internet to share information in real time.	
Survey Analytics	TryMyUI	Enables websites to cost-effectively set up usability tests to receive feedback in the form of narrated videos of the tester's screen.	
Switch Concepts	Unanimis Consulting	Represents web and mobile advertising opportunities for a portfolio of premium publishers.	
Tangient (TSL Education)	BlendSpace	Offers a platform for students and teachers to share video, text and image resources.	
TellApart	Freshplum	Develops revenue analytics solutions for ecommerce companies.	
Telligen	Colorado Foundation, Healthcare Data Analytics	Comprises healthcare quality improvement, healthcare data analytics and case review contracts.	
Twitter	CardSpring	Operates a payment network that enables developers to create web and mobile apps for payments cards and terminals.	
Twitter	Madbits	Provides technology to understand the content of an image, whether or not there are tags associated with that image.	
Twitter	Mitro Labs	Offers a web browser extension that lets people store and share passwords.	
UnitedHealth Group	ProHEALTH Medical Management	Empowers primary care physicians to better serve patients through improved care processes and patient outcomes.	
WalmartLabs (Wal-Mart Stores)	Luvocracy	Develops a social marketplace to buy recommended pins, posts, tweets and shares.	
Water Cooler Group (TZP Group)	JubaPlus	Offers digital, social media and CRM analytics services, including segmentation, predictive modelling, measurement and targeting.	
Yahoo!	RayV	Provides solutions for TV on the Internet, including HD streaming, web development and business models.	
Zero2Sixty	Conductiv	Develops mobile solutions for multi-channel retailers for point-of-sale, digital cataloging, payments and more.	

About Scott Peters



Scott Peters, a Co-President with JEGI, represents a wide array of business information, marketing services, online media and technology companies in an M&A advisory capacity. Having successfully completed nearly 100 transactions with JEGI, Mr. Peters offers clients a comprehensive understanding of the media, information and marketing industries.

Mr. Peters offers a unique blend of traditional investment banking and direct operating experience. Before rejoining JEGI, he was the co-founder of AngelSociety, an information, communications and transaction company serving the early stage investing or ‘angel’ investing market. Prior to his initial employment with JEGI, Mr. Peters was with Veronis Suhler Stevenson, where he served as director of research and later, director of business development for the investment bank and private equity fund.

Mr. Peters currently serves as a Media & Entertainment Sector advisor to The New York City Investment Fund (“NYCIF”). NYCIF was founded by Henry R. Kravis and is a \$100 million, New York City-based private fund with a civic mission. Mr. Peters also serves on the Advisory Board of Columbia Business School’s Social Enterprise Program. Mr. Peters earned an MBA from Columbia Business School and a BBA from Babson College.

About The Jordan, Edmiston Group, Inc.

The Jordan, Edmiston Group, Inc. (JEGI), headquartered in New York, NY, has been the leading independent investment bank for the global media, information, marketing and technology sectors for nearly 27 years. The firm has completed over 500 high-profile M&A transactions for global corporations; middle-market and emerging companies; entrepreneurial owners; and private equity and venture capital firms. For more information, visit www.jegi.com.

Select Recent JEGI Technology Transactions

<p>RKG a leading tech-enabled search and digital marketing agency</p> <p>has been sold to</p> <p>MERKLE</p>	<p>DISTIMO a leading mobile app market intelligence and analytics provider</p> <p>has been sold to</p> <p>App Annie</p>	<p>Competitrack a full service competitive advertising tracking firm</p> <p>has been sold to</p> <p>Market Track The Power of Market Intelligence a portfolio company of</p> <p>AURORA CAPITAL GROUP</p>	<p>MWG MYWEBGROECR a leading provider of shopping and shopper marketing software and services</p> <p>has received a significant investment from</p> <p>HGGC</p>	<p>MEDIABOX™ SaaS-based applications for the consumer products licensing industry</p> <p>has been sold to</p> <p>JUNAS Software for Life™</p>
<p>infogroup a portfolio company of CCMP</p> <p>has sold</p> <p>OneSource the leading provider of sales enablement and business intelligence SaaS solutions</p> <p>to</p> <p>CANNONDALE INVESTMENTS & GTCR</p>	<p>ePrize a global leader in digital engagement specializing in promotions and loyalty campaigns across mobile, social and web</p> <p>has been sold to</p> <p>CATTERTON partners</p>	<p>CONVERSEN a SaaS marketing platform (CRM) for real-time, multi-stage, and multi-channel marketing including social media, email, and mobile</p> <p>has been sold to</p> <p>Experian™</p>	<p>travidia a leading developer of online shopping solutions for local media</p> <p>has been sold to</p> <p>a consortium of eight leading media and publishing companies: ADVANCE DIGITAL, A.H. BELO CORPORATION, COX MEDIA GROUP, GANNETT CO. INC., HEARST CORPORATION, MEDIA NEWS GROUP, THE McCLATCHY Co., and THE WASHINGTON POST</p>	<p>The Retail Equation the leading SaaS platform for retail transaction optimization solutions</p> <p>has been sold to</p> <p>NVP NORWEST VENTURE PARTNERS.</p>

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