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INDEPENDENT INVESTMENT BANKING FOR MEDIA,
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Tech M&A Update

This month's letter is written by Tolman Geffs, Co-President

“MAPMYDEALS” – IT’S ALL ABOUT MOBILE

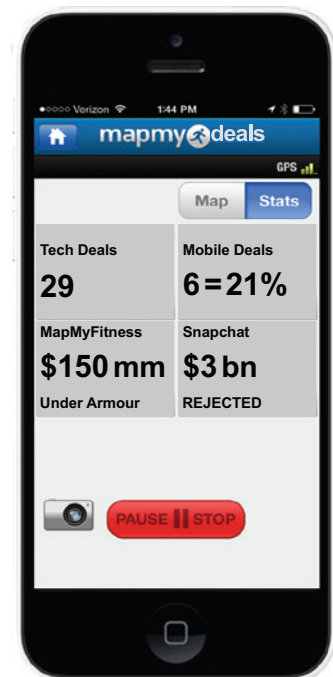
November was a relatively quiet month in technology M&A, mobile and otherwise, with 29 announced transactions, of which six were for mobile tech. The two most notable were both in the mobile sector – one that got done and one that did not. The one that did not succeed was the reported offer by Facebook to buy Snapchat, a wildly popular but revenue-free mobile app, for \$3 billion. (Apparently the owners did not deem the revenue multiple high enough). And the one that made it was the acquisition of MapMyFitness by Under Armour – yes, the athletic apparel company – for \$150 million. MapMyFitness had tremendous user uptake for its popular fitness apps MapMyRun, MapMyRide, and others (in fact, I use MapMyRun in a rowing scull, where hands-free tracking of my pace on the water is really helpful). Millions of consumers measure, log and share their workouts using MMF apps.

However, MapMyFitness was early on revenue – modest premium subscription sales, given that the free version is great, plus advertising, which was probably of limited value to Under Armour – an \$8+ billion market cap clothing manufacturer is unlikely to focus on building a major ad business. But what Under Armour presumably did care about – a lot – is how consumers are shifting to do everything on connected devices. For most of us, the smart device is already our email, rolodex and camera – and very soon, it will be our wallet, shopping cart and minute-by-minute repository of everything we care about. All connected, via the cloud, to others who also care.

The pace of this shift into mobile is accelerating. According to eMarketer, US consumers now spend more time with digital media (desktop web + mobile) than with TV. And within digital, time spent on mobile (phone + tablets) is now greater than the desktop web. Consumers are shopping on their phones en masse, with mcommerce comprising 16% of a \$42 billion ecommerce market in 2013 and growing fast. Mobile’s share of advertising spend lags; it’s now about 20% of digital ad spending but is expected to reach 50% by 2017.

With the dramatic shift to mobile media usage and marketing, eMarketer predicts that desktop ad spend will begin to decline in 2014 and that mobile ad revenues will surpass desktop by 2017. However, our sense is that we may well look back to see that 2013 was the year where “plain vanilla” display (non-video) advertising on desktops hit its peak and then began to decline as digital advertising becomes an ever smarter experience on connected devices.

So, maybe Under Armour should keep the MapMyFitness ad model and rent out billboard space on my t-shirt...





These are our brief highlights for December. 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.

Tolman Geffs
 Co-President
 Office: (212) 754-0710
 Cell: (203) 273-2001
 Email: tolmang@jegi.com

Daniel Avrutsky
 Managing Director/Global Head of Technology
 Office: (212) 754-0710
 Cell: (646) 321-3576
 Email: daniel@jegi.com

November M&A Transactions in JEGI Tech Coverage

Buyer	Seller	Target Description	Enterprise Value (\$mm)
<i>Deals with Values</i>			
Experian	Passport Health Communications	Provides patient access software solutions for hospitals and healthcare providers.	\$850
Under Armour	MapMyFitness	A suite of social wellness-oriented applications for runners, cyclists, walkers, etc.	\$150
Alibaba Group	Umeng	Develops analytics tool for mobile developers.	\$70
Centro	SiteScout Innovative Advertising Technology	Provides a self-serve advertising platform for marketing professionals and agencies with real-time bidding.	\$40
<i>Deals without Announced Values</i>			
AMN Healthcare Services	ShiftWise	Provides healthcare-specific SaaS solutions to enable hospitals and staffing agencies to manage their workers.	
BiologicTx	Silverstone Solutions	Develops a kidney paired donation software application.	
Box	dLoop	Provides advanced data analytics to easily discover content and capture insights from within an enterprise.	
Brightree	MedAct	Provider of an integrated software solution for patient intake, inventory management, billing, and more.	

Buyer	Seller	Target Description	Enterprise Value (\$mm)
CCH (Wolters Kluwer)	Best Practice Solutions	Develops cloud-based accounting software for accounting practices.	
CureMD Corporation	AviaraMD	Provider of revenue cycle management software and consulting services.	
Discovery Education (Discovery)	Espresso Group	A provider of primary school digital education content in the U.K.	
Heroku (Salesforce.com)	Cloudconnect	Startup with a focus on helping organizations connect cloud services and their data.	
Intel Corporation	Kno	Designs and develops education software.	
ITV	AdaptiveBlue	Operates GetGlue.com, a social network with a browser add-on for use on various webpages, and mobile apps to check into TV shows, etc.	
kCentric Technologies	Azox	Develops and delivers fully integrated ecommerce web stores, credit card processing, and online bill pay solutions.	
Livefyre	Realtidbits	An analytics product suite that provides white-label solutions for publishers/media companies in the social TV and news spaces.	
Micro Development Services	EHRsolutions	Develops and sells electronic health record software applications.	
Mobile Web America	Kishkee (Admorphous)	A software and technology platform that enables businesses to build a mobile presence.	
Moelis Capital Partners	OmniSYS (CIC Partners)	Provides Medicare and Medicaid processing software solutions.	
PointClickCare (Wescom/JMI Equity)	Meal Metrics	A leading provider of nutritional management software for long-term care.	
Provide Commerce (Liberty Interactive)	Sincerely	Offers mobile and social network applications to create birthday invitations, photo prints, postcards, thank you cards, and more.	
PSAV (Goldman Sachs)	Visual Aids Electronics	Provides meeting presentation services.	
QualMetrix	Visual Intelligence Healthcare Analytics	A healthcare analytics platform as a service (PaaS) for customer and partner relationships and more.	
Seevibes	TvTweet	A measurement and analytics service that tracks television-related conversations on social media services.	
StartMeApp	AdNubo	Enables mobile advertisers to access traffic sources, user information, target capabilities, content categories, and more.	
Wolters Kluwer Financial Services	rFrame (CGI)	A regulatory reporting software that automates the compliance process for data capture and report submission to authorities.	
WPP	Bottle Rocket Apps (Carter Group)	Develops mobile phone applications.	
XL Marketing (Caivis, GCP Capital Partners)	Customer Acquisition Business (Adchemy)	A cloud-based customer acquisition business for digital marketers in education, auto insurance, and mortgage industries.	
Yesware	Attachments.me	An email file-sharing technology startup.	

About Tolman Geffs



Tolman Geffs, a Co-President with JEGI, represents online media, interactive marketing services, and technology companies, as well as broader media businesses seeking to expand in high growth new media markets.

Mr. Geffs brings a unique combination of experience as a CEO and business builder in both traditional and new media companies, as well as in corporate finance and M&A. Prior to joining JEGI in 2004, Mr. Geffs was CEO of Internet Broadcasting Systems, a national network of 70 local television Web sites operated in partnership with NBC, Hearst, The Washington Post Company and other major broadcasters. With a staff of 250, IBS remains one of the earliest old/new cross-media platforms to achieve both scale and profitability.

Previously, Mr. Geffs held a series of senior executive positions in magazine publishing. He began his career in the M&A department of Lehman Brothers, and also consulted for media companies with McKinsey & Company. Mr. Geffs earned an MBA from Harvard Business School as a Baker Scholar and a BA in English and a BS in Engineering Physics with Honors from the University of California at Berkeley.

About Daniel Avrutsky



Daniel Avrutsky, Managing Director and Global Head of Technology at JEGI, joined the firm in February 2013 to lead its M&A advisory practice in technology and software, focused on the US, Europe and Israel.

Mr. Avrutsky has 17 years of experience in global technology M&A. Prior to joining JEGI, he was Founder and Managing Partner of Avrika Group, where he provided cross-border advisory services to US-based and European clients seeking technology investments and M&A opportunities in Eastern Europe. Mr. Avrutsky continues to be an independent member of the Grant Committee of the Skolkovo Foundation, Russia's largest technology development agency. For the prior five years, Mr. Avrutsky was with Perella Weinberg Partners in New York, most recently as a Managing Director in the firm's technology practice. He started his career

at JP Morgan and held various positions at Salomon Brothers, Bank of America and Warburg Pincus.

Mr. Avrutsky holds a BA with cum laude in Mathematics and Economics from Duke University and an MBA from Stanford University Graduate School of Business. He also studied Mathematical Economics and Computer Science at Moscow State University.

About The Jordan, Edmiston Group, Inc.

The Jordan, Edmiston Group, Inc. (JEGI) of New York is the leading independent investment bank for the media, information, marketing and technology sectors. Since 1987, JEGI has completed more than 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.

Selected Recent JEGI Technology Transactions

<p>Competitrack </p> <p>a full service competitive advertising tracking firm</p> <p>has been sold to</p> <p>MarketTrack The Power of Market Intelligence</p> <p>a portfolio company of</p> <p>AURORA CAPITAL GROUP</p>	<p>MWG MYWEBGROCER</p> <p>a leading provider of shopping and shopper marketing software and services</p> <p>has received a significant investment from</p> <p>HGGC</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>MyMEDIABOX™</p> <p>SaaS-based applications for the consumer products licensing industry</p> <p>has been sold to</p> <p>Jonas Software for Life™</p>	<p>ePrize</p> <p>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</p> <p>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>The Retail Equation</p> <p>the leading SaaS platform for retail transaction optimization solutions</p> <p>has been sold to</p> <p>NVP NORWEST VENTURE PARTNERS.</p>	<p>e-Behavior™</p> <p>the leading provider of consumer shopping predictive targeting data</p> <p>has been sold to</p> <p>KBM GROUP part of the wpp.com network</p> <p>a division of</p> <p>WPP</p>	<p>Accela COMMUNICATIONS</p> <p>a leading marketing technology company providing interactive video communications</p> <p>has been sold to</p> <p>kitdigital made of the future</p>	<p>acerno</p> <p>an online behavioral targeting network</p> <p>has been sold to</p> <p>Akamai</p> <p>for approximately \$95,000,000</p>

Wilma Jordan
Founder & CEO
wilmaj@jegi.com

Scott Peters
Co-President
scottp@jegi.com

Tolman Geffs
Co-President
tolmang@jegi.com

Richard Mead
Managing Director
richardm@jegi.com

David Clark
Managing Director
davidc@jegi.com

Chris Calton
Managing Director
chrisc@jegi.com

Daniel Avrutsky
Managing Director
daniel@jegi.com

Tom Pecht
Managing Director
tomp@jegi.com

Bill Hitzig
Chief Operating Officer
billh@jegi.com

Adam Gross
Chief Marketing Officer
adamg@jegi.com

Tom Creaser
Executive Vice President
tomc@jegi.com

Amir Akhavan
Director
amira@jegi.com