

Tech M&A Update

In this month's letter, we focus on the recent M&A transactions in mobile technology.

Despite this week's sudden, yet not entirely unexpected, termination of BlackBerry's high profile strategic alternatives review process, mobile remains all the rage of the tech M&A market, with several notable acquisitions by Internet and software majors being announced in October. As sales of mobile devices overtake those of PCs this quarter (huge!), the mobile M&A environment heats up.

MOBILE APPS AND ANALYTICS - WHERE THE PARTY IS!

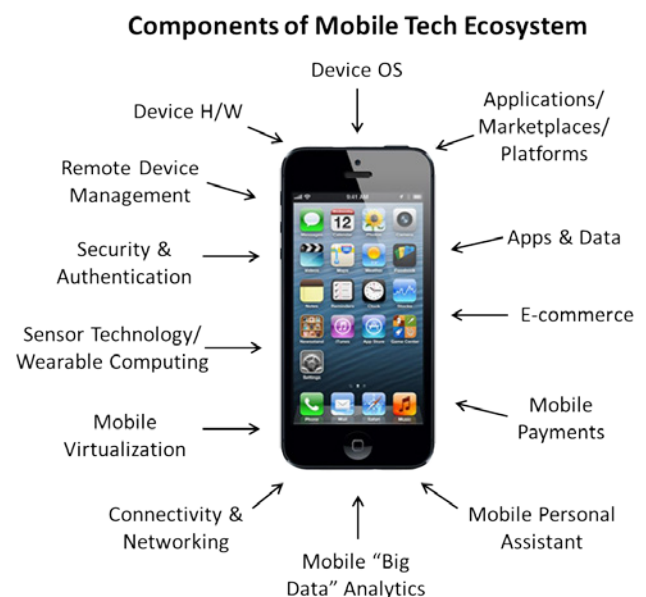
There is no slowing in the pace of mobile infrastructure software M&A (Google picked up French FlexyCore, developer of Android device performance optimization software, for just over \$20 million, reportedly), but mobile apps and analytics is where the party is. One area in particular is seeing a ton of momentum - mobile personal assistants. Apple acquired Cue this month, to extend Siri with e-mail-based automatic agenda building. A host of companies are coming out with really cool products in this category (speaktot, Incredible Labs, Sunrise and others), and we predict many of these will soon find themselves on various acquisition radars.

MOBILE PRIMED FOR ADVANCES IN BIG DATA

And then, of course, the mobile space is primed for advances in Big Data, with Facebook's \$150 million acquisition of Onavo and IBM's acquisition of The Now Factory being the most recent examples of that.

On the surface, Onavo is not an analytics play. Its software helps mobile users reduce smart phone bandwidth consumption through data compression. However, it also enables application creators to gauge any mobile application's performance (downloads, usage, engagement) and to analyze how consumers are actually utilizing the app. Such real-time data mining capabilities are invaluable for Facebook, as it attempts to leverage petabytes of its own and 3rd party data to foresee trends and anticipate which apps are primed to win. Just imagine being a business (or a corporate) development team with such a crystal ball, knowing exactly which app partnership or companies to go after, before the market has any clue. An amazing tool and a smart acquisition for Facebook, despite the hefty price.

The Now Factory's software helps mobile operators analyze massive amounts of real-time subscriber, network and mobile device data to better understand customer behavior. It fits nicely into Big Blue's Big Data business, which is big indeed, expected to reach \$20 billion by 2015. And, as we predict in the upcoming JEGI Client Briefing, this is just the beginning of a ubiquitous computing-enabled *data revolution* for this business analytics leader and its peers.



These are our brief highlights for November. Stay tuned for JEGI's November 2013 Client Briefing and the next issue of our monthly letter. 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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October M&A Transactions in JEGI Tech Coverage

Buyer	Seller	Target Description	Enterprise Value (\$mm)
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Deals with Values

Oracle	BigMachines	Develops and implements on-demand software solutions for sales teams.	\$400
Experian	41st Parameter	A fraud detection software company.	\$324
Facebook	Onavo Mobile	Develops data management applications that put smartphone users in control of their mobile data usage.	\$150
Pivotal Labs (EMC)	Xtreme Labs	Develops mobile applications for Android, BlackBerry, iPhone, iPad, Symbian and Windows Phone 7.	\$65
Perceptive Software (Lexmark)	PACSGEAR	Provides image connectivity solutions for medical image management and electronic health record systems.	\$54
Francisco Partners	McKesson Automation	Provides integrated software solutions to automate the supply and use of medications in hospitals.	\$52
Apple	Cue	Provides data-organizing mobile applications that help users find emails, files, contacts, etc.	\$40
Brand Networks (AEA Investors)	Optimal	Provides audience-based advertising technologies.	\$35
Proofpoint	Sendmail	Provides services that allow enterprises and government agencies to architect and deploy secure mail and message infrastructures.	\$23
Airpush	Hubbl	Develops native advertising and personalization technology.	\$15

Deals without Announced Values

8coupons	Clipless	Develops mobile couponing applications for Android phones.	
Adheris (inVentiv)	Catalina Health Resource (Catalina)	Operates a personalized health online media network.	
Advisory Board Company	Care Team Connect	Develops technology platforms to coordinate care between hospitals, community providers, family members and patients.	
ALPHAION (Strathspey Crown)	Fusion Global	Develops technology to use in medical consultations in order to illustrate procedures for patients with photos and videos.	
Amazon	TenMarks Education	Develops personalized online education programs for students.	

Buyer	Seller	Target Description	Enterprise Value (\$mm)
Axel Springer	runtastic	Develops mobile applications in the health and fitness field.	
Betterment	ImpulseSave	Operates a mobile platform that enables users to create savings accounts and encourages saving.	
Certain	Check In Easy	Develops mobile applications for event check-ins.	
CPXi	AdReady	Develops an online display advertising technology for marketers.	
Demandforce (Intuit)	Full Slate	Designs and develops online scheduling software.	
DMH International	Virtual Physician's Network	Provides a virtual connection that enables surgeons to improve financial and clinical outcomes.	
eBay	Shutl	Operates a SaaS platform that enables immediate delivery of online shopping by connecting shoppers with shippers.	
E-Data Solutions	Review Us	Provides online instant mobile feedback and review tracking solutions.	
Five Peaks Capital Management	TrueSample (SurveyMonkey.com)	An online solution that verifies and validates survey responses and panelists.	
Francisco Partners	NexTech Systems	Develops medical practice management, marketing and electronic medical records software.	
Google	FlexyCore	Operates an Android performance boosting solution DroidBooster.	
Google	Flutter	Develops and delivers applications to play and pause music and movies with gestures.	
IBM	Now Factory	Offers telecom providers insights into how people use and interact with mobile services.	
IBM	Xtify	A provider of mobile messaging tools that allow push notifications to reach customers.	
Illumina	NextBio	A scientific platform that enables researchers to search, discover, and share knowledge locked within public and proprietary data.	
IOD (LLR Partners)	ApeniMED	Provides health data platforms that enable information exchange.	
iVantage Health Analytics (Great Point)	Professional Data Services	Provides medical practice management software.	
Market Track (Aurora Capital)	Competitrack	An advertising tracking company.	<i>confidential (JEGI deal)</i>
MedRisk	Medical Diagnostic Associates	Offers network diagnostic imaging and electrodiagnostic services.	
MedSeek	SymphonyCare	Provides portals for healthcare organizations to engage with physicians, patients and employees.	
MedTech National	Camber Health Medical Billing	Consists of Camber Health's medical billing and practice management technology.	
Neat Company	ProOnGo	Develops a mobile-based application for businesses and CPAs to track expenses.	
Oboxmedia	SHOP.CA (Torstar)	Operates a cloud marketplace for approved partners to list, price and sell their products and services.	
Oracle	Compendium Software	An online content marketing platform for organizations to distribute original content through various marketing channels.	

Buyer	Seller	Target Description	Enterprise Value (\$mm)
Staples	Runa	Provides a cloud-based solution to track visitors on e-commerce sites and analyze the data to determine patterns.	
Tailwind	PinReach (NerveWire)	Operates an online platform focusing on insight and analytics from Pinterest.	
TellApart	AdStack	Provides a real-time ad optimization platform to manage digital marketing campaigns for agencies, publishers and advertisers.	
VERISAE (Marlin Equity Partners)	Hara Software	An energy and sustainability management platform that enables clients to track, verify and manage global energy activities.	
WebMD	Avado	Provides a cloud-based patient relationship management system for healthcare providers.	
Wellness Network	LOGICARE	Provides software and services for emergency departments, patient educators, clinics and hospitals.	
WellTok	IncentOne	Provides incentive administration solutions to the healthcare industry.	
Yahoo	Bread Labs	An online service that enables brands and causes to customize advertisements in front of content shared on social media.	

About Daniel Avtrusky



Daniel Avtrusky, 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. Avtrusky 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. Avtrusky 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. Avtrusky 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. Avtrusky 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>a leading provider of shopping and shopper marketing software and services</p> <p>has received a significant investment from</p>	<p>a portfolio company of</p> <p>has sold</p> <p>the leading provider of sales enablement and business intelligence SaaS solutions</p> <p>to</p>	<p>SaaS-based applications for the consumer products licensing industry</p> <p>has been sold to</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>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>the leading SaaS platform for retail transaction optimization solutions</p> <p>has been sold to</p>	<p>a leading provider of e-commerce solutions to publishers via</p> <p>has been sold to</p>	<p>the leading provider of consumer shopping predictive targeting data</p> <p>has been sold to</p> <p>a division of</p>	<p>a leading marketing technology company providing interactive video communications</p> <p>has been sold to</p>	<p>an online behavioral targeting network</p> <p>has been sold to</p> <p>for approximately \$95,000,000</p>

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