

**DEAL NOTES** | M&A Review for the Marketing, Advertising & Digital Media Industries

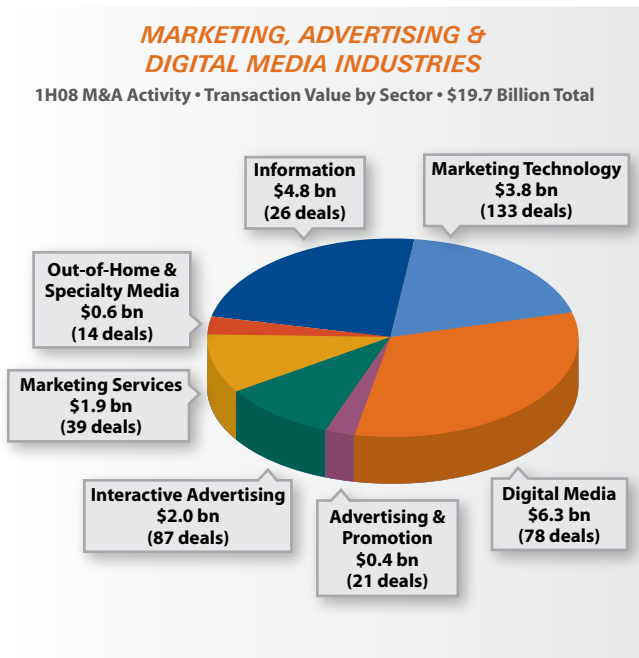
**M&A Activity Remains Strong for First Half of 2008**

**First Half 2008 Review: 398 Transactions Totaling \$19.7 Billion in Value**

Merger and acquisition activity in the marketing, advertising and digital media industries remained strong during the first six months of 2008, with Petsky Prunier tracking \$19.7 billion in estimated transaction value and a total of 398 deals. While the total number of transactions was up 21% compared to the first six months of 2007, total transaction dollar volume was down 26% – a reflection of this year’s soft economy, as well as two significantly large deals during 1H07 (aQuantive and DoubleClick).

Petsky Prunier examines seven broad segments in its quarterly *Deal Notes* analysis: Interactive Advertising, Advertising & Promotion, Out-of-Home & Specialty Media, Marketing Technology, Digital Media, Information and Marketing Services. The Digital Media segment generated the most transaction value of all the segments, with 78 transactions totaling \$6.3 bil-

*(Continued on page 4)*



**DIGITAL VIDEO**

**Digital Video: Poised to Show Advertisers the Money**

Digital video represents just 1.5% of all online spending (\$324 million out of \$21.2 billion spent in 2007), according to the Interactive Advertising Bureau (IAB). However, its ability to engage and capture attention has propelled its growth. “I think it will grow to three to four times its current size within five years,” says Matt Sanchez, CEO of video ad network VideoEgg.

The numbers support his outlook. ABI Research reports that more than one billion users will be viewing online video by 2013, while eMarketer is projecting that digital video and rich media combined will generate \$4.3 billion in revenue by 2011.

Digital video’s rapid growth is the result of a domino effect. Higher broadband penetration is allowing more people to view video. An increasing number of viewers is driving publishers to add more content and capturing the attention of investors, which is creating opportunities for vendors to provide services that connect advertisers to those viewers. “The demand coming from ad agencies has been significant, but that didn’t start happening until there were enough companies

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## Out-of-Home Media Industry Catches Our Eye

*You can't skip over it or delete it. It's unobtrusive and uncluttered. And, it's growing in both scale and targetability. It's out-of-home (OOH) media, and as brand marketers struggle to find ways to get their message in front of more people, they are increasingly turning to the OOH channel.*

Today, out-of-home is a \$7 billion industry, according to the Outdoor Advertising Association of America (OAAA). With more than 1.2 billion static and digital placements, OOH cuts across four broad categories: billboards (which represent 66% of the market), transit, street furniture and alternative. Alternative includes venues that help marketers reach active customers on the go, and includes placements in a variety of new and interesting locales, such as movie theaters, health clubs, doctors' offices, sports stadiums, nightclubs and bars, gas stations, taxis, lobbies, elevators and even restrooms.

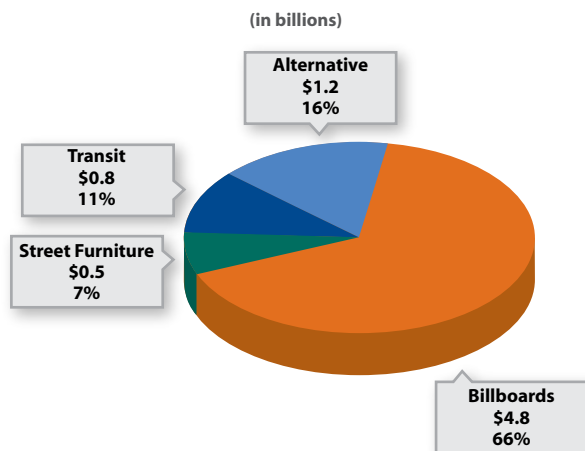
"The outdoor business is healthier than most traditional media," says Mark H. Johnston, chief operating officer of private outdoor media company Van Wagner Communications. "It has been growing faster than other traditional media for a very long time, mainly because we offer a higher level of certainty than other media. We're not losing viewers. They're never going to move the Midtown Tunnel. And, image quality has improved over time."

Pricing is attractive to marketers who regularly purchase TV and print. "Out-of-home is typically the lowest priced element of a media mix," says Jim Harris, CEO of Office Media Network, which delivers The Wall Street Journal Online Network in the lobbies and elevators of some 700 class A office buildings in 15 U.S. markets. "We're competing against *Forbes*, *Fortune* and businesses that charge a \$100 cost-per-thousand (CPM), and we're trading at a \$15 CPM. I think smart advertisers are saying, 'I can take a couple of pages out of my print buy and get a lot of value for this.'"

While the billboard, transit and street furniture businesses are dominated by the largest, traditional OOH companies, including Clear Channel, JCDecaux and Viacom, competitors large and small have created business opportunities in the alternative space to take advantage of changes in the way consumers can be influenced by marketing messages. "Out-of-home has become much more relevant in recent years, as consumer behavior and lifestyles have changed," explains Stephen Freitas, chief marketing officer of the 120-year-old OAAA. "People are more active and mobile than ever before, and they're away from home longer. This opens more opportunities to influence them with different approaches to out-of-home advertising."

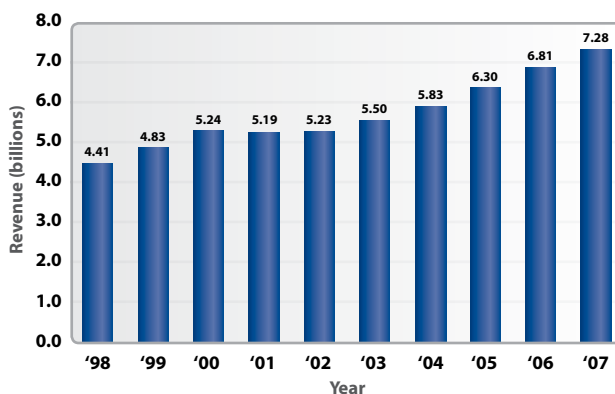
Among those active groups are two very attractive consumer segments, young adults and affluent consumers, whose attention is particularly hard to capture but OOH does a good job of reaching. "Young adults are always on the go," says Dennis Roche, president

FOUR MAJOR PRODUCT CATEGORIES



Source: Outdoor Advertising Association of America

OUTDOOR REVENUE



Source: Outdoor Advertising Association of America

and chief operating officer of outdoor media company Zoom Media & Marketing. “Affluent consumers tend to be early adopters of technology like DVRs, and so are more likely to opt out of ads. Both groups also spend a lot of time away from home and are exposed to out-of-home media at a higher rate than the general population.”

Out-of-home media properties taking advantage of emerging technology are increasingly able to reach out and engage these on-the-move consumers. “Bluetooth transmitters on billboards and bus shelters are now pushing out messages to the cell phones of individuals who pass by the media,” says David Leider, CEO of Destination Media Inc., parent company of Gas Station TV. “We run text message response devices on our screens for people who want to interact that way.” Titan, JCDecaux, Clear Channel and Van Wagner, among others, are all implementing or testing Bluetooth technology.

Cost, reach and relevance are just a few of the strengths that are helping some forms of out-of-home media garner what many feel is long overdue attention. “Five years ago, restroom advertising wasn’t accepted. People laughed about it,” recalls Barrett C. Davie, executive vice president and former CEO of restroom ad network InStadium, Inc. “They would say, I’m not going to put my brand in a restroom. But it’s not about that. It’s about place-based media that engages a captive audience. Today, not only do media planners send us RFPs, they’re not afraid to propose it to their clients.”

Freitas agrees that out-of-home media companies are finding it easier to get in front of agencies. “In the past, OOH companies would get five minutes at the end of a pitch, if they were lucky. Today, OOH is, in many cases, the first thing clients want to hear about.”

#### **DIGITAL: THE FUTURE IS HERE**

Increasingly, the newer forms of OOH are digital, which consumers not only welcome, but remember. Sixty-three percent of respondents to a *SeeSaw Insights* survey reported remembering digital signage; they also

reported being engaged by digital OOH “some” or “a lot,” including in health clubs (58%); bars (50%) and in/on public transit (36%), among others.

One of digital’s strengths over traditional OOH is targeting. On a digital TV network, for instance, “a product manufacturer could advertise its brand and then tell consumers where to buy it within the next 35 feet,” offers Michael R. Collette, president and CEO of digital video network provider Healthy Advice Networks. Adds Leider of Destination Media,

*“The outdoor business is healthier than most traditional media...It has been growing faster than other traditional media for a very long time, mainly because we offer a higher level of certainty than other media. We’re not losing viewers. They’re never going to move the Midtown Tunnel.”*

*Mark H. Johnston, chief operating officer,  
Van Wagner Communications*

“With digital media, McDonald’s could feature breakfast in the morning and dinner at night, or they could add a custom promotion for a specific market.”

There are approximately 800 digital billboards today. Still a small number compared to 450,000 traditional billboards, but Freitas anticipates growth of several hundred more over the next few years.

Digital out-of-home, which includes both signage and television networks, has grown so much that it now has its own association — the Out of Home Video Advertising Bureau (OVAB) — founded in January 2007. “Our founding members were getting fairly good traction within the advertising community, but not at the rapid-fire adoption level that other media had when they emerged,” explains association president Suzanne Alecia. “There were three problems: the digital OOH networks weren’t talking the same audience reporting language; we weren’t working together as a collective; and agencies weren’t set up to analyze and plan for these networks, because of their mix of two disciplines (digital and OOH).”

#### **IMPROVING METRICS**

To help validate the industry and improve measurability, the OAAA has been working on an “Eyes On” ratings program, which will provide a “currency” that is on par with traditional media. The program will make it easier for planners and buyers to purchase OOH side-by-side with other media and work it into their media mix analysis.

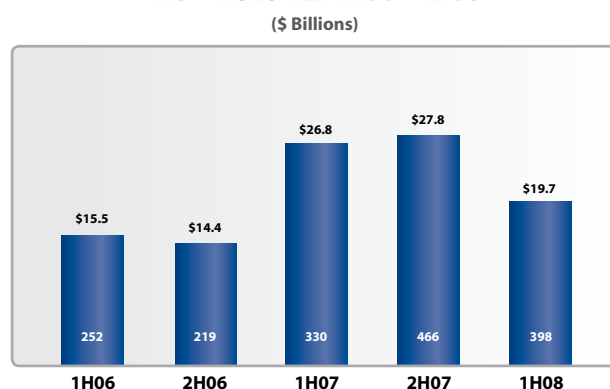
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## First Half 2008 M&A Overview (continued)

lion, followed by Information, which had \$4.8 billion in deals, driven primarily by Reed Elsevier's acquisition of ChoicePoint, the largest deal in 1H08. By comparison, in 1H07, the Interactive Advertising segment had the highest aggregate value of all the segments, with \$12.2 billion in transactions completed.

Marketing Technology led in total number of transactions completed with 133, up 53% from 63 deals reported during the same period in 2007. Although Interactive Advertising was 1H08's second-most-active segment, with 87 deals, both aggregate transaction volume and value were down 8% and 84%, respectively, versus 1H07.

### MARKETING, ADVERTISING & DIGITAL MEDIA INDUSTRIES M&A VOLUME: 1H06 - 1H08



The nine most active strategic acquirers announced 35 transactions during 1H08. America Online, Microsoft and WPP – consistently the most active acquirers of marketing, advertising and digital media companies – continue to lead the pack with five transactions each. Consistent with previous quarters, four out of the top nine strategic acquirers were agency holding companies – Aegis, Havas, Interpublic Group and WPP.

1H08 Most Active Strategic Buyers by # of Transactions		
Buyer	# of Transactions	Representative Targets
America Online	5	Bebo, Goowy Media, Perfilite Technologies
Microsoft	5	Farecast.com, Navic Networks, Rapt
WPP Group	5	Integrated Media Measurement, Yankelovich
Aegis Group	4	AdWatch, Age, rmsarcar.com, Globlet
Havas Advertising	4	BLM Holdings, Kadium, SHAKE
Buzznet	3	Absolute Pink, Idolator, Qloud
IAC/Interactive	3	Lexico Publishing, Starnet Interactive
Interpublic Group	3	Greenroom Digital, Translation Advertising
Nielsen	3	Audience Analytics, IAG Research

The number of private equity and venture capital firms completing at least three transactions in the first half of 2008 rose significantly compared to the first half of 2007 (16 vs. 5), while venture capital investment represented 50% of the activity (197 transactions).

Private equity firms continued to invest selectively, despite markets having deteriorated significantly from 1H07. Transactions of note by buyout firms included Hellman & Friedman's take-private of Getty Images for \$2.4 billion, General Atlantic's buyout of Emdeon Business Services for \$575 million and Quadrangle Group's going private transaction of \$361 million for Greenfield Online. ■

Investor	# of Transactions	Representative Targets
Draper Fisher Jurvetson	5	JobFox, Nextumi, Widgetbucks, Yield Software
New Enterprise Associates	5	Clearspring Technologies, MediaBank
Accel Partners	4	Car Advisory Network, Genius.com
Index Ventures	4	Adconion Media Group, Criteo
Union Square Ventures	4	Disqus, Outside.in, Twitter
Benchmark Capital	3	Conduit, FriendFeed, Marin Software
Fidelity Investments	3	Flock, NewBay Software, Slide
Greylock Management	3	richrelevance, Social Gaming Network, WebCollage
Grotech Capital Group	3	ARPU, Collective Intellect, HiveLive
Intel Capital	3	Channel M, Mixercast, Voxify
Mayfield Fund	3	Gigya, Razz, Rubicon Project
Polaris Venture Partners	3	Automatic, Quantcast, Sprout
Redpoint Ventures	3	Answers Corporation, Archetype Media
Sierra Ventures	3	Click Forensics, Flypaper Studio
SOFTBANK Capital	3	Ad Infuse, Buddy Media
Spark Capital	3	Covestor, EQAL, Inform Technologies

## Digital Video: Poised to Show Advertisers the Money *(continued)*

like ours that were able to deliver digital video ads,” explains Jason Glickman, CEO of video and rich media ad network Tremor Media.

As a medium in its infancy, solutions providers are working hard to provide advertisers with an experience that rivals not only other online media formats, but also television, which they consider to be their major competition.

A pivotal advancement occurred on May 5, when the Internet Advertising Bureau (IAB) introduced format standards for digital video ads. “With guidelines, companies can now scale more easily and reuse creative,” says Mike Hurt, director of industry development at Microsoft Corp. and co-chair of the IAB’s digital video committee, who feels “the standards will result in a spike of new advertisers.”

“We’re also pushing for the translation of Gross Rating Points to online,” says Glickman. “We’re working to provide the ability to look at the data that Nielsen provides, such as volume and household reach.” The more digital video providers can parallel themselves against traditional media, the more attention they will get from agencies and advertisers, he feels.

Last year brought innovation in ad formats, the most important of which was the introduction of the overlay — a silhouetted ad that lays across the bottom 20% of the video screen. “Overlays are not intrusive,” adds Waikit Lau, CEO of video technology solutions company ScanScout, Inc. “Unlike a pre-roll, they are entirely user controlled. The background pauses when you click on the ad and the viewer can pick up the video where they left off at any time. We don’t compete with pre-roll, we complement it. It is a newfound

revenue stream and a very effective one. We’re seeing clickthrough rates on overlays of anywhere from 10 to 30 times that of banner ads.”

### OPPORTUNITIES FOR FUTURE GROWTH

The digital video category generated six transactions valued at \$35 million in the first half of 2008. While small by comparison to other categories within the Interactive Advertising segment, Petsky Prunier anticipates activity increasing. Proponents of Digital Video point to the many opportunities for added value in digital video, experts say, including better targeting, more up-front planning and improved measurement and reporting capabilities — which could fuel a groundswell of start-ups and interest from investors. “Opportunities for start-ups lie in connecting the dots — offering services and operational technologies — things that stitch across the supply chain,” explains Hurt.

*“We’re seeing clickthrough rates on overlays of anywhere from 10 to 30 times that of banner ads.”*

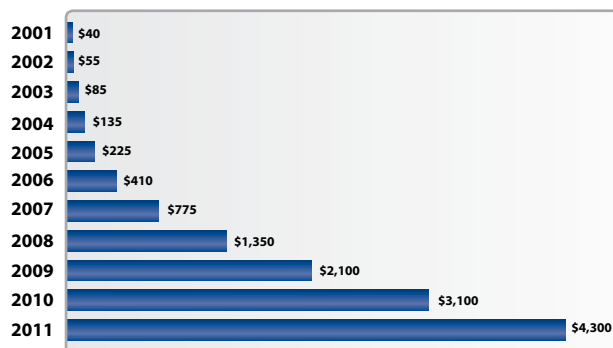
*Waikit Lau, CEO, ScanScout*

VideoEgg’s Sanchez feels that, as media companies get more comfortable pushing their content online and are able to do it in a way in which they’re retaining the ad rights, huge demand will follow. “Large media companies need a technology solution that allows them to track and control their video and ad traffic across a number of sites and environments. As the technology and systems used to accomplish these tasks mature, media companies will be more willing to distribute their content onto the Web in a syndicated model, which will lead to the next inflection point in broadband video consumption.”

Another major revenue opportunity will come as more companies integrate the planning and production of television and online video simultaneously. This “yield optimization” will result in “cost savings and higher ROI,” says Hurt.

Digital video is the hottest new online format today for effectively reaching and engaging customers. It has incorporated itself so well into the online fabric that consumers increasingly expect to find video capability at the sites they visit. As technologies evolve in this segment and traction continues to build, there will be many opportunities for companies to capitalize on the benefits...or risk falling behind. ■

### US ONLINE VIDEO ADVERTISING SPENDING, 2001–2011 (millions)



Note: eMarketer benchmarks its US online advertising spending projections against the Interactive Advertising Bureau (IAB)/PricewaterhouseCoopers (PwC) data, for which the last full year measured was 2006; online video includes in-page and streaming video | Source: eMarketer, June 2007

## Ad Networks: Transparency Opens Doors

*Ad networks have been through a comprehensive overhaul since they launched roughly a decade ago. By some counts, there are at least 120 ad networks today, including transparent, blind, exchange, vertical, behavioral, contextual, digital and open, and each one addresses a specific need.*

Once a small, response-driven segment of online media designed to generate the best conversions at the lowest price, today's ad networks continue to offer that and much more. Improvements in both quantity and quality of inventory, as well as targeting capabilities, are capturing the attention of media buyers and planners who at one time brushed them aside.

In 2007, more than \$6.2 billion was spent by both private equity and strategic investors to scoop up 54 ad networks and exchanges, according to Petsky Prunier, and all trends point to continued investment ahead. According to Collective Media's 2<sup>nd</sup> Annual Ad Network Study, 95% of U.S. advertisers and agencies buying online media plan to increase their spending on ad networks in 2008, a projected 17% increase over 2007.

"The acceptance of ad networks from advertisers has greatly improved," says Jason Glickman, CEO of digital and rich media ad network Tremor Media. "Agencies and advertisers were once skeptical, because of a previous notion that all networks were blind (meaning advertisers would be unable to see the sites their ads were being placed in) and that they didn't represent reputable content. Advertisers are now seeing a lot of desirable inventory they can get on a targeted basis at a good rate."

Acquisitions and organic investments from the major portals — Google, Yahoo, MSN and AOL — have also elevated the industry's visibility. "The fact that these behemoths thought it was important to add this service to their business helped validate the industry," observes Glickman. "Now, everyone is looking at how they can jump into the ad network game."

### OPENING UP THE NETWORK – PERMANENT NICHE OR EVENTUAL UBIQUITY?

One of the newest models is the open network. In

April, AdBrite launched its Open Targeting Exchange (OTX), designed to let targeting technology vendors compete openly for publisher and advertiser business. AdBrite follows Right Media, which launched its open RMX Direct Media Exchange 18 months ago. RMX lets participating ad networks see the characteristics of each publisher site and bid on them in real time.

"Open marketplaces are for people who want transparency," says Jamie Hill, CEO of performance-based network adMarketplace. "They're more for a graphical (rather than text-based) cost-per-thousand (CPM) model for big agencies that have brand names and only need simple conversion metrics, such as clickthroughs."

*The fact that these behemoths — Google, Yahoo, MSN and AOL — thought it was important to add this service to their business helped validate the industry. Now, everyone is looking at how they can jump into the ad network game.*

*Jason Glickman, CEO, Tremor Media*

According to AdBrite CEO Iggy Fanlo, open networks level the online playing field to allow smaller, unknown vendors to participate. "Big companies like Google and Microsoft have a lot more resources than we do. So we asked ourselves, how do we compete effectively against them? That's when we came up with the open source idea. No matter how many smart people are in those big companies, we believe there are just as many smart people outside, and if we can tap into them, I believe we can all win."

With just two industry players offering them, open networks remain a small niche in a large field, as experts continue to learn how to maximize the value of this model.

### WHERE ARE THE REVENUE OPPORTUNITIES?

The need for improved monetization of online inventory and content continues to leave plenty of room for new ideas, line extensions and acquisitions.

One category with much anticipated growth is vertical ad networks. "Publishers like Martha Stewart have

*(Continued on page 14)*

While the total number of transactions in Interactive Advertising declined slightly (8%) in 1H08, total transaction dollar volume was down substantially (84%) in comparison to 1H07's numbers, which were skewed by several mega-deals, including Google's acquisition of DoubleClick and Microsoft's purchase of aQuantive. Without those two transactions, the segment's total dollar volume would have been down 44%.

**ACTIVE SECTORS** The top three sectors – Interactive Agency, Ad Networks/Exchanges and Online Lead Generation – were responsible for the majority (59%) of the deals and 71% of dollar volume. The number of transactions in these three sectors held steady against the year-ago period. Companies in Email Services continued to garner interest from buyers, with deal value nearly six times higher than the same year-ago period. Mobile investments have slowed, as investors may be waiting for existing solutions providers to prove these businesses can generate substantial revenues.

Most Active Interactive Advertising Sectors						
Sector	1H08		1H07		1H06	
	# of Transactions	Deal Value (\$ Millions)	# of Transactions	Deal Value (\$ Millions)	# of Transactions	Deal Value (\$ Millions)
Interactive Agency	21	472	23	6,551	13	136
Ad Networks/Exchanges	20	758	17	4,737	21	485
Online Lead Generation	10	180	18	294	14	200
Mobile Advertising	7	80	14	291	11	605
SEM & SEO	7	70	5	148	3	40
Digital Video	6	35	6	112	0	0
Email Services	4	189	4	32	11	169
Affiliate Network	1	125	0	0	0	0
<b>Total</b>	<b>76</b>	<b>1,909</b>	<b>87</b>	<b>21,166</b>	<b>73</b>	<b>1,634</b>
Other Sectors <sup>1</sup>	11	83	8	183	4	424
<b>Total</b>	<b>87</b>	<b>1,992</b>	<b>95</b>	<b>12,349</b>	<b>77</b>	<b>2,058</b>

<sup>1</sup>Other sectors include Blogs/Podcasting/RSS, Rich Media & Video Game Advertising

**BUYERS** While there are almost as many venture capital-driven investments as acquisitions by strategic buyers, strategic deal value was nearly triple VC spending, led by buyers including Cox Enterprises and GSI Commerce. Compared to 1H07, the number of private equity-driven buyouts was flat while dollar volume was down 35%.

Interactive Advertising Transactions by Type of Buyer								
Type of Buyer	1H08				1H07		1H06	
	# of Transactions	% of Total	Deal Value (\$ Millions)	% of Total	# of Transactions	Deal Value (\$ Millions)	# of Transactions	Deal Value (\$ Millions)
Strategic	42	48%	1,287	65%	52	11,489	46	1,704
Private Equity-VC	41	47%	460	23%	39	485	30	345
Private Equity-Buyout	4	5%	245	12%	4	375	1	10
<b>Total</b>	<b>87</b>	<b>100%</b>	<b>1,992</b>	<b>100%</b>	<b>95</b>	<b>12,349</b>	<b>77</b>	<b>2,058</b>

**TRANSACTIONS** While the top five Interactive Advertising transactions represented 38% of the segment's total transaction value, nearly half of the transactions completed were smaller, venture capital investments. Of note, the Glam Media advertising network received an \$85 million investment from German Hubert Burda Media to help fund its expansion plans. AOL acquired affiliate network Perfiliate for \$125 million. Adconion, which claims it will become the largest independent, global ad exchange for digital advertising by the end of 2008, received an \$80 million Series C investment from Index Ventures and Wellington Partners to help expand its North American footprint. In the Mobile sector, entertainment solutions provider Thumbplay raised \$18 million in a Series E round, while mobile content company SendMe Mobile received a \$15 million Series C round led by GrandBanks Capital.

Top Five Interactive Advertising Transactions			
Buyer	Property	Property Segment	\$Millions
1 Cox Enterprises	Adify Corporation	Ad Networks/Exchanges	300
2 GSI Commerce, Inc.	e-Dialog Inc.	Email Services	158
3 America Online, Inc.	Perfiliate Technologies	Affiliate Network	125
4 ECI Partners	ILG Digital	Interactive Agency	89
5 Hubert Burda Media Marketing & Communications	Glam Media, Inc.	Ad Networks/Exchanges	85

The total number of Advertising & Promotion transactions grew 10% over the year-ago period, although it had the fewest number of transactions of all the segments (21). Transaction dollar volume dropped 34% in this mature segment.

**ACTIVE SECTORS** General Agencies represented nearly one-fourth (24%) of transactions completed in Advertising & Promotion, but B2B Agencies generated the highest dollar volume with \$107 million (24% of the segment total). One Multicultural Agency was acquired and two more received strategic investments, as more general firms sought to round out their expertise in the growing Hispanic market. Media Planning & Buying and Retail Merchandising bounced back from no activity in 1H07 to finish the first six months of 2008 with \$86 million and \$21 million in deal value, respectively. Meanwhile, the Promotion Agency, Public Relations, Experiential Marketing and Pharma Agency categories were all down from the year-ago period.

Most Active Advertising & Promotion Sectors						
Sector	1H08		1H07		1H06	
	# of Transactions	Deal Value (\$ Millions)	# of Transactions	Deal Value (\$ Millions)	# of Transactions	Deal Value (\$ Millions)
General Agency	5	58	4	42	1	0
Multicultural Agency	3	23	1	5	0	0
Promotion Agency	3	45	3	170	3	55
B-to-B Agency	2	107	0	0	0	0
Media Planning & Buying	2	86	0	0	1	102
Public Relations	1	15	1	65	0	0
Retail Merchandising	1	21	0	0	0	0
Experiential Marketing	1	24	3	185	0	0
Pharma Agency	0	0	4	92	0	0
<b>Total</b>	<b>18</b>	<b>379</b>	<b>16</b>	<b>558</b>	<b>6</b>	<b>161</b>
Other Sectors <sup>1</sup>	3	70	3	121	2	80
<b>Total</b>	<b>21</b>	<b>449</b>	<b>19</b>	<b>697</b>	<b>8</b>	<b>241</b>

<sup>1</sup>Other sectors include Ad Specialty/Premiums, Marketing Consulting, Trade Incentive Management

**BUYERS** There were four times as many strategic acquisitions in Advertising & Promotion as private equity investments, representing a 31% increase in number of transactions over 1H07. Average dollar volume for private equity buyouts, however, was substantially higher than for strategic acquisitions (\$52.3 million versus \$16.6 million).

Advertising & Promotion Transactions by Type of Buyer								
Type of Buyer	1H08				1H07		1H06	
	# of Transactions	% of Total	Deal Value (\$ Millions)	% of Total	# of Transactions	Deal Value (\$ Millions)	# of Transactions	Deal Value (\$ Millions)
Strategic	17	81%	282	63%	13	309	5	197
Private Equity-VC	1	5%	10	2%	3	26	2	5
Private Equity-Buyout	3	14%	157	35%	3	345	1	40
<b>Total</b>	<b>21</b>	<b>100%</b>	<b>449</b>	<b>100%</b>	<b>19</b>	<b>679</b>	<b>8</b>	<b>241</b>

**TRANSACTIONS** The top five deals comprised the majority (58%) of the segment's deal value. Pegasus Capital Advisors' buyout of European integrated communications agency Gyro International Ltd. for \$97 million was the largest deal. Also of note, Marlin Equity Partners acquired the coupon redemption operations of International Outsourcing Services for \$60 million and formed a new company, ProLogic Redemption Solutions; and Australian marketing services agency Photon Group purchased London-based Naked Communications for an initial cash outlay of \$36.7 million and future payments tied to performance targets.

Top Five Advertising & Promotion Transactions			
Buyer	Property	Property Segment	\$Millions
1 Pegasus Capital Advisors, L.P.	Gyro International Limited	B-to-B Agency	97
2 Marlin Equity Partners	ProLogic Redemption Solutions	Trade Incentive Management	60
3 Daily Mail & General Trust plc	Spot Runner, Inc.	Media Planning & Buying	51
4 Photon Group Limited	Naked Communications, Ltd.	General Agency	37
5 Viad Corporation	Becker Group, Ltd.	Experiential Marketing	24

Out-of-Home & Specialty Media generated 14 transactions totaling an estimated \$558 million in dollar volume. The segment showed a 40% increase in number of transactions over 1H07, although total dollar volume dropped 69%.

**ACTIVE SECTORS** Place-based Media, previously an emerging segment, is now gaining traction. The category, which is benefiting from the growth of digital signage, digital television networks and new venue placement opportunities, accounted for the bulk of the transactions (10) in this segment and grew the total transaction volume for the segment by nearly five-fold. Traditional Outdoor remained strong with two deals at or more than \$100 million each. Coupon/Sampling is down almost 100%, given unfavorable comparisons to 1H07, when Catalina Marketing was taken private.

Most Active Out-of-Home & Media Sectors						
Sector	1H08		1H07		1H06	
	# of Transactions	Deal Value (\$ Millions)	# of Transactions	Deal Value (\$ Millions)	# of Transactions	Deal Value (\$ Millions)
Place-Based Media	10	335	7	71	4	1,648
Coupon/Sampling	2	13	3	1,752	4	99
Traditional Outdoor	2	210	0	0	1	187
<b>Total</b>	<b>14</b>	<b>558</b>	<b>10</b>	<b>1,823</b>	<b>8</b>	<b>1,933</b>

**BUYERS** While there were six strategic acquisitions and six venture capital investments in this segment, the average size of the strategic deals was significantly larger (\$53 million versus \$10 million). Two private equity buyouts were responsible for one-third (32%) of the total estimated transaction value for the segment.

Out-of-Home & Media Transactions by Type of Buyer								
Type of Buyer	1H08				1H07		1H06	
	# of Transactions	% of Total	Deal Value (\$ Millions)	% of Total	# of Transactions	Deal Value (\$ Millions)	# of Transactions	Deal Value (\$ Millions)
Strategic	6	43%	318	57%	4	48	5	345
Private Equity-VC	6	43%	60	11%	4	38	0	0
Private Equity-Buyout	2	14%	180	32%	2	1,737	4	1,589
<b>Total</b>	<b>14</b>	<b>100%</b>	<b>558</b>	<b>100%</b>	<b>10</b>	<b>1,823</b>	<b>9</b>	<b>1,933</b>

**TRANSACTIONS** The largest deal of the sector was Veronis Suhler Stevenson's acquisition of placed-based media and marketing company Brand Connections for more than \$150 million\*. In addition, CBS expanded its international footprint with the acquisition of billboard company South American International Outdoor Advertising Group. Indoor network Zoom Media & Marketing paid \$20 million to acquire the Insite Nightlife Ad Network from Alloy Media & Marketing.

Top Five Out-of-Home & Media Transactions			
Buyer	Property	Property Segment	\$Millions
1 Veronis Suhler Stevenson Partners	Brand Connections, LLC	Place-Based Media	150+*
2 CBS Outdoor, Inc.	International Outdoor Advertising Group	Traditional Outdoor	110
3 Lamar Advertising Company	Vista Media Group	Traditional Outdoor	100
4 Goldman Sachs & Co.	Skyflying Media	Place-Based Media	83
5 Focus Ventures	Ecast, Inc.	Place-Based Media	12

\* Estimated value as published in *The Deal*, 6/30/08

\*As reported by *The Deal*, 6/30/08

Marketing Technology was one of the three largest segments, with 133 transactions totaling an estimated \$3.8 billion, twice as many transactions tracked in 1H08 versus 1H07. Total dollar volume grew 25%.

**ACTIVE SECTORS** The four leading categories all saw significantly increased deal activity, with three out of the top four also showing substantial gains in transaction value. Content Management continued to lead with a nearly three-fold increase in dollar volume over the year-ago period. Measurement/Testing/Optimization had twice as many transactions as in 1H07. Commerce Management maintained healthy gains in number of deals and dollar volume (44% and 303%, respectively), while Ad Serving tripled in number of deals and saw a seven-time increase in transaction value.

Most Active Marketing Technology Sectors						
Sector	1H08		1H07		1H06	
	# of Transactions	Deal Value (\$ Millions)	# of Transactions	Deal Value (\$ Millions)	# of Transactions	Deal Value (\$ Millions)
Content Management	42	720	13	257	1	5
Measurement/Testing/Optimization	20	266	9	350	2	63
Commerce Management	13	512	9	127	7	70
Ad Serving	10	459	3	66	0	0
Business Intelligence Tools	6	84	6	494	5	1,822
MRM/Workflow Management	6	653	3	20	2	55
Email/Messaging Software	6	256	1	13	1	10
CRM	6	146	6	122	4	97
SFA/Lead Management	5	53	0	0	0	0
SEM Tools	5	63	1	6	0	0
Marketing Asset Management	4	33	0	0	1	20
Intranet Search	3	29	1	10	0	0
Web to Print	2	377	2	553	0	0
<b>Total</b>	<b>128</b>	<b>3,650</b>	<b>54</b>	<b>2,019</b>	<b>23</b>	<b>2,142</b>
Other Sectors <sup>1</sup>	5	133	9	1,013	3	199
<b>Total</b>	<b>133</b>	<b>3,783</b>	<b>63</b>	<b>3,032</b>	<b>26</b>	<b>2,341</b>

<sup>1</sup>Other sectors include Decision Support/Merchandising, Segmentation/Campaign Management, Teleservices, Web Hosting

**BUYERS** The number of venture capital investments tripled from the year-ago period, as a result of heavy early-stage interest in social network platforms. Compared to 1H07, the number of strategic acquisitions increased 33%, while the dollar volume remained consistent.

Marketing Technology Transactions by Type of Buyer								
Type of Buyer	1H08				1H07		1H06	
	# of Transactions	% of Total	Deal Value (\$ Millions)	% of Total	# of Transactions	Deal Value (\$ Millions)	# of Transactions	Deal Value (\$ Millions)
Strategic	48	36%	2,055	54%	36	2,170	12	2,080
Private Equity-VC	80	60%	873	23%	24	279	13	141
Private Equity-Buyout	5	4%	854	23%	3	582	1	120
<b>Total</b>	<b>133</b>	<b>100%</b>	<b>3,783</b>	<b>100%</b>	<b>63</b>	<b>3,032</b>	<b>26</b>	<b>2,341</b>

**TRANSACTIONS** General Atlantic, along with Hellman & Friedman, purchased the remaining 48% interest in Emdeon Health for \$575 million (GA already owned 52%), making it the largest transaction in Marketing Technology. Hewlett-Packard rounded out its Imaging and Printing Group with the \$371 million acquisition of Exstream Software. Other notable deals include PayPal's acquisition of Israeli online risk management firm Fraud Sciences and Austin Ventures' \$10 million Series A investment in click fraud detection and prevention company Click Forensics. In addition, email marketing solutions provider Silverpop raised \$70 million in funding from hedge fund D.E. Shaw & Co.

Top Five Marketing Technology Transactions			
Buyer	Property	Property Segment	\$Millions
1 General Atlantic, LLC	Emdeon Business Services	MRM/Workflow Management	575
2 Hewlett-Packard Company	Exstream Software, Inc.	Web to Print	371
3 PayPal, Inc.	Fraud Sciences Corporation	Commerce Management	169
4 Yahoo!, Inc.	Maven Networks, Inc.	Ad Serving	160
5 Dell, Inc.	MessageOne, Inc.	Email/Messaging Software	155

Digital media was the largest of the seven segments tracked by Petsky Prunier with 78 transactions totaling \$6.3 billion. The number of transactions increased 23% while the dollar volume increased 2.6 times versus 1H07.

**ACTIVE SECTORS** User-generated/Social Media continued to be the most active category, with 41 transactions, nearly tripling 1H07 dollar volume – from \$502 million to \$1.5 billion (venture capital investments accounted for nearly 70% of all Digital Media transactions). Syndication/Licensing had the highest overall dollar volume with \$2.4 billion, as the result of the Getty Images deal. Without that deal, dollar volume for the category was relatively even with the year-ago period. Niche Content, though down slightly, continued to show healthy activity. Web Search/Portals was flat in volume but substantially down in value (82%), as was Comparison Shopping. Most of the latter category's 1H07 transaction value, however, came from a single \$830 million deal – the acquisition of Catalina Marketing by Hellman & Friedman.

Most Active Digital Media Sectors						
Sector	1H08		1H07		1H06	
	# of Transactions	Deal Value (\$ Millions)	# of Transactions	Deal Value (\$ Millions)	# of Transactions	Deal Value (\$ Millions)
User-generated/Social	41	1,462	18	502	24	167
Niche Content	16	2,133	20	399	3	48
Vertical Search	9	192	13	154	13	486
Web Search/Portals	5	65	4	369	7	825
Local Search	4	37	1	8	1	5
Syndication/Licensing	3	2,410	1	8	0	0
Comparison Shopping	0	0	5	921	1	5
Classifieds & Auctions	0	0	1	18	0	0
<b>Total</b>	<b>78</b>	<b>6,299</b>	<b>63</b>	<b>2,379</b>	<b>49</b>	<b>1,535</b>

**BUYERS** More than two-thirds of total transaction dollar volume was a result of venture capital investment – a 64% increase in number of transactions over 1H07 – as many of the companies in the Digital Media category are still in early growth mode. Private equity buyout activity remained flat in number of transactions, but deal value increased one and half times. Total strategic deal value more than tripled, while the number of strategic transactions is down 25%.

Digital Media Transactions by Type of Buyer								
Type of Buyer	1H08				1H07		1H06	
	# of Transactions	% of Total	Deal Value (\$ Millions)	% of Total	# of Transactions	Deal Value (\$ Millions)	# of Transactions	Deal Value (\$ Millions)
Strategic	21	27%	2,941	47%	28	894	17	1,305
Private Equity-VC	54	69%	875	14%	33	505	30	211
Private Equity-Buyout	3	4%	2,483	39%	2	980	2	19
<b>Total</b>	<b>78</b>	<b>100%</b>	<b>6,299</b>	<b>100%</b>	<b>63</b>	<b>2,379</b>	<b>49</b>	<b>1,535</b>

**TRANSACTIONS** Hellman & Friedman's buyout of stock photography company Getty Images was the largest in value of the top five deals in Digital Media. CBS' acquisition of CNET Networks was the second top-five deal for CBS during this period (the other is in the Out-Of-Home/Specialty Media segment). Notable deals in the highly active User-generated/Social Media category included AOL's acquisition of Bebo for \$850 million and TriplePoint Capital's \$100 million investment in Facebook. Niche content site driverTV was acquired by NBC for \$6 million, while online community site CafeMom raised \$5 million in venture funding from Draper Fisher Jurvetson and Highland Capital Partners.

Top Five Digital Media Transactions			
Buyer	Property	Property Segment	\$Millions
1 Hellman & Friedman, LLC	Getty Images, Inc.	Syndication/Licensing	2,400
2 CBS Corporation	CNET Networks, Inc.	Niche Content	1,706
3 America Online, Inc.	Bebo, Inc.	User-generated/Social	850
4 Oak Hill Partners	Oversee.net	Niche Content	150
5 Microsoft Corporation	Farecast.com	Vertical Search	115

With \$4.8 billion in transaction dollar volume, Information continues to be a critical component to the marketing, advertising and digital media industries. Transaction dollar volume grew 43% over 1H07, while the total number of deals increased 18%.

**ACTIVE SECTORS** Market Research continues to drive M&A activity in the segment with 19 deals – nearly three-quarters of overall number of transactions and a 46% increase over 1H07. Conversely, Marketing Data generated more than three-quarters of the segment’s dollar volume, with \$3.9 billion, a 52% increase.

Most Active Information Sectors						
Sector	1H08		1H07		1H06	
	# of Transactions	Deal Value (\$ Millions)	# of Transactions	Deal Value (\$ Millions)	# of Transactions	Deal Value (\$ Millions)
Market Research	19	814	13	609	13	168
Marketing Data	6	3,943	8	2,595	8	111
Credit/Risk Management	1	8	1	130	5	668
<b>Total</b>	<b>26</b>	<b>4,764</b>	<b>22</b>	<b>3,334</b>	<b>26</b>	<b>947</b>

**BUYERS** Strategic deals continued to generate the bulk of transaction dollar volume for the Information sector. Both strategic and venture capital deals saw healthy growth in value (36% and 45%, respectively). The value of private equity buyouts tripled, primarily due to the Greenfield Online transaction.

Information Transactions by Type of Buyer								
Type of Buyer	1H08				1H07		1H06	
	# of Transactions	% of Total	Deal Value (\$ Millions)	% of Total	# of Transactions	Deal Value (\$ Millions)	# of Transactions	Deal Value (\$ Millions)
Strategic	12	46%	4,271	90%	18	3,145	15	775
Private Equity-VC	11	42%	87	2%	3	60	10	124
Private Equity-Buyout	3	12%	406	9%	1	130	1	48
<b>Total</b>	<b>26</b>	<b>100%</b>	<b>4,764</b>	<b>100%</b>	<b>22</b>	<b>3,334</b>	<b>26</b>	<b>947</b>

**TRANSACTIONS** The Information segment saw several high-profile transactions among leading companies in 1H08. In addition to Reed Elsevier’s purchase of ChoicePoint, Quadrangle Group acquired Greenfield Online for \$426 million, taking the company private at 13x trailing EBITDA. Nielsen Company, comScore Networks and Kantar Group filled out the top-five list, each with market research company acquisitions. Also of note, Quantcast, a digital audience measurement firm, raised \$20 million in Series B funding led by Polaris Venture Partners and Founders Fund, while Invoke Solutions, a provider of real-time online and mobile research services, raised \$7 million in venture funding in a round led by North Atlantic Capital.

Top Five Information Transactions			
Buyer	Property	Property Segment	\$Millions
1 Reed Elsevier Group plc	ChoicePoint, Inc.	Marketing Data	3,900
2 Quadrangle Group, LLC	Greenfield Online, Inc.	Market Research	361
3 Nielsen Company	IAG Research	Market Research	225
4 comScore Networks, Inc.	M:Metrics	Market Research	44
5 Kantar Group	Integrated Media Measurement, Inc.	Market Research	25

Marketing Services generated \$1.9 billion in transaction dollar volume, a 42% decrease from 1H07. As one of the most mature segments Petsky Prunier follows, there has been a consistent reduction in activity from 1H07 and 1H06, reflecting years of consolidation and dollars shifting to online solutions away from this segment.

**ACTIVE SECTORS** Production & Mailing is the largest of the Marketing Services sectors, consistent with the previous two first-half periods. Transaction dollar value increased 22%, while number of deals was down slightly (17%). The Call Center category saw a 47% increase in dollar volume, while List Broker/Manager transaction dollar volume increased three-fold. The remaining sectors all saw reductions, with the most significant being in the Loyalty/Retention and Data Processing/Enhancement categories, in which dollar volume dropped 97% and 92%, respectively.

Most Active Marketing Services Sectors						
Sector	1H08		1H07		1H06	
	# of Transactions	Deal Value (\$ Millions)	# of Transactions	Deal Value (\$ Millions)	# of Transactions	Deal Value (\$ Millions)
Production & Mailing <sup>1</sup>	15	876	18	720	18	791
DM Agency	5	130	10	151	9	548
List Broker/Manager	5	32	1	10	2	57
Data Analytics	5	134	9	159	10	442
Call Center	4	609	8	414	8	3,934
Data Processing/Enhancement	3	49	1	647	0	0
Marketing Database	1	20	3	46	2	177
Loyalty/Retention	1	20	5	764	5	392
Offline Lead Generation	0	0	1	5	0	0
DR Media Buying	0	0	2	269	3	78
<b>Total</b>	<b>39</b>	<b>1,871</b>	<b>58</b>	<b>3,186</b>	<b>57</b>	<b>6,418</b>

<sup>1</sup>Production & Mailing includes Print, Lettershop, Fulfillment & Logistics

**BUYERS** Strategic transactions represented roughly three quarters of Marketing Services deals in 1H08, although both dollar volume and number of deals were down from the same year-ago period. VC and private equity buyouts were also down, with buyouts dropping 66% in dollar volume, while number of transactions decreased 37%. VC dollar volume shrank 40%, while number of investments was down by half.

Marketing Services Transactions by Type of Buyer								
Type of Buyer	1H08				1H07		1H06	
	# of Transactions	% of Total	Deal Value (\$ Millions)	% of Total	# of Transactions	Deal Value (\$ Millions)	# of Transactions	Deal Value (\$ Millions)
Strategic	30	77%	1,359	73%	42	1,728	35	1,878
Private Equity-VC	4	10%	50	3%	8	84	9	325
Private Equity-Buyout	5	13%	461	25%	8	1,374	13	4,216
<b>Total</b>	<b>39</b>	<b>100%</b>	<b>1,871</b>	<b>100%</b>	<b>58</b>	<b>3,186</b>	<b>57</b>	<b>6,418</b>

**TRANSACTIONS** The Call Center category generated the top two deals in this segment. Special purpose acquisition corporation Global BPO acquired Stream Holdings Corp., a provider of global customer relationship management and other business process outsourcing services, in a transaction valued at \$203.2 million, roughly 11.2x trailing EBITDA. In Production & Mailing, R.R. Donnelley acquired newspaper inserts company Pro Line Printing, Inc., for \$122 million, and Union Street Acquisitions, a special purpose acquisition corporation, purchased Archway Marketing Services, a provider of marketing operations management solutions, for \$80.3 million. Also of note, Compete, a provider of online data analytics, raised \$10 million in Series 3 funding for product development from Charles River Ventures and Idealab, among others.

Top Five Marketing Services Transactions			
Buyer	Property	Property Segment	\$Millions
1 NCO Group Inc.	Outsourcing Solutions, Inc.	Call Center	325
2 Global BPO Services Corporation	Stream	Call Center	283
3 R.R. Donnelley	Pro Line Printing, Inc.	Production & Mailing	122
4 Union Street Acquisition Corporation	Archway Marketing Services	Production & Mailing	80
5 Taylor Nelson Sofres plc	Compete, Inc.	Data Analytics	75

## Out-of-Home Media Industry Catches Our Eye *(continued)*

In April, Nielsen Media Research announced it would begin rating place-based television networks. Called Pocketpieces, the monitors will launch with IdeaCast, a health club video network, and move to Gas Station TV shortly thereafter. By September of this year, Nielsen expects to have Pocketpieces in at least 10 out-of-home television networks.

OVAB recently developed audience metrics guidelines to allow the networks to start reporting their audiences in comparable and consistent ways, across different forms of OOH media and in comparison to other forms of more traditional media. In addition, OVAB is currently searching for an online media planning tool that can be placed on media buyers' and planners' desktops for accessing demographic, psychographic, market and reach/frequency data across all the digital networks.

### CONSOLIDATION EXPECTED

More than 700 digital networks have gone up in the last 18 months, leaving much room for consolidation, Leider says. "Let's say someone puts up signage in a ten-location coffee-shop network, and someone else puts up another ten-location coffee-shop network. Eventually, these small networks may join together. You'll see the cream rising to the top based on the value proposition to the user and the advertiser.

Strong networks will also create relationships with big content partners like CBS and ESPN, which will enable better content packages."

New opportunities will arise as networks align themselves and breed competition. Agencies will start to think of various video networks as a collective — even though one may be in elevators, another in

lobbies, another in gyms — reaching the same target throughout the day. As Alecia explains, "All of a sudden, it becomes a multi-network buy. I predict that, within the

next 12 months, there is going to be one agency that will execute a cross-network digital video buy. Once that happens, there will be a snowball effect, and other agencies will follow."

There's no doubt that digital is going to play an increasingly larger role going forward. Collette notes, "Digital OOH has grown at a rate of 40 to 50% a year over the past five years, and I would say, for the foreseeable future, it's going to continue to grow at least at 30% annually. In every area where there was formerly print — sports stadiums, billboards, etc. — it now has become more cost effective to utilize digital." ■

*"Digital OOH has grown at a rate of 40 to 50 percent a year over the past five years, and I would say, for the foreseeable future, it's going to continue to grow at least at 30 percent annually."*

*Michael Collette, president & CEO,  
Healthy Advice Networks*

## Ad Networks: Transparency Opens Doors *(continued)*

seen ad networks grow and prosper," says Joe Apprendi, CEO of Collective Media, an online advertising network and technology provider. "They're joining the fray and are leveraging their brand, audience and experience to create greater reach and opportunity." Eighty-two percent of Collective Media survey respondents planned to use a vertical ad network in 2008.

Portals and large content sites will continue to increase their investments, says Glickman, who thinks we'll also see an emergence of growth in digital video and mobile networks. Meanwhile, others anticipate a shakeout among the more commoditized networks. "We believe

most performance-based ad networks will be marginalized by ad exchanges (auction sites that sell available ad space to the highest bidder) and will get squeezed over time," says Apprendi.

Acquirers looking for a definitive advantage in their targets should focus on the technology driving the network, not the network itself, says Hill. "Survival is about what you're doing differently. You don't have to reinvent the wheel. Search wasn't an original idea when Google started. They just felt they could do it better. It's the unique technology you bring to the table that adds value." ■

*We welcome the opportunity to discuss the marketing, advertising and digital media M&A landscape with you and learn more about your strategic objectives.*













- Petsky Prunier represented Brand Connections (a portfolio company of The Cypress Group), one of the fastest growing out-of-home media and marketing companies in North America, in its sale to Veronis Suhler Stevenson.
- One of the leading and most profitable providers of U.S. residential marketing data, offering innovative technology-enabled solutions to direct marketers has engaged Petsky Prunier to evaluate strategic alternatives.
- Petsky Prunier has been engaged to sell a marketing services company that builds consumer marketing databases and provides database analytics and interactive marketing solutions to a number of industries, with a primary focus on multichannel retail and not-for-profit companies.
- Petsky Prunier has been engaged to explore strategic options for an interactive agency that provides innovative channel management solutions to Fortune 500 companies.
- An automotive-focused social network, facilitating the interaction and sharing of content between motor enthusiasts, has engaged Petsky Prunier to raise venture-stage financing.

## ABOUT PETSKY PRUNIER

Petsky Prunier (<http://www.petskyprunier.com/>) is a leading investment bank serving the marketing, advertising and digital media industries. Our M&A advisory practice is driven by expertise and commitment to achieve the maximum results for our clients. Petsky Prunier's depth of knowledge and tailored approach to M&A counsel has earned us a distinguished reputation among entrepreneurs, strategic acquirers and investors in our industries of focus. We regularly share our expertise through our quarterly *Deal Notes* publication, periodic white papers and invitation-only events. In addition, we enhance our strategic reach through our affiliation with Winterberry Group (<http://www.winterberrygroup.com/>), a strategic consultancy offering clients a perspective on growth grounded in market insight and operating expertise.

If you did not receive this newsletter directly from us and wish to be on our mailing list to receive it on a periodic basis, please visit [www.petskyprunier.com](http://www.petskyprunier.com) and sign up for our e-newsletter. For more information, please contact Amy LaBan at (212) 842-7126 or [alaban@petskyprunier.com](mailto:alaban@petskyprunier.com).

# Investment Bankers to the Marketing, Advertising and Digital Media Industries

 <p>one of the largest and fastest growing providers of out-of-home integrated media and marketing programs reaching consumers in specialty venues</p> <p><i>a portfolio company of</i></p> <p><b>The Cypress Group</b></p> <p><i>has been sold to</i></p> <p><b>Veronis Suhler Stevenson</b></p> <p>June 2008</p>	 <p>a provider of accredited continuing education programs for clinicians</p> <p><i>an operating company of</i></p>  <p><i>has acquired certain assets of</i></p> <p><b>Primedia Healthcare</b></p> <p>February 2008</p>	<p><b>AdOn network</b> <small>Advertising   Connected</small></p> <p><i>formerly known as MyGeek.com</i></p> <p>a fast growing online advertising network serving the middle market</p> <p><i>has been sold to</i></p> <p><b>Prime Visibility Media Group</b></p> <p><i>a portfolio company of</i></p> <p><b>Bridge Investments LLC</b></p> <p>December 2007</p>	<p><b>On Target Media, LLC</b></p>  <p>the largest US out-of-home media company providing consumer health education and information in physician offices</p> <p><i>a portfolio company of</i></p> <p><b>Alta Communications</b></p> <p><i>has been sold to</i></p> <p><b>Catterton Partners</b></p> <p>November 2007</p>
 <p>a leading online competitive intelligence database provider serving the pharmaceutical and financial service industries</p> <p><i>has been sold to</i></p> <p><b>Financial Times Group</b></p> <p><i>a subsidiary of</i></p> <p><b>Pearson plc</b></p> <p>September 2007</p>	 <p><i>Targeted Solutions. Real Results.</i></p> <p>a pioneer in personalized marketing serving healthcare, financial services and digital media industries</p> <p><i>has received a major investment from</i></p> <p><b>Lindsay Goldberg</b></p> <p>September 2007</p>	 <p>a leading provider of multichannel direct marketing data solutions</p> <p><i>has acquired</i></p> <p><b>Teramedia Corporation</b></p> <p>a multichannel list management, brokerage and data services firm</p> <p>August 2007</p>	 <p>one of the country's leading marketing service agencies</p> <p><i>has sold a majority stake to</i></p> <p><b>Halyard Capital</b></p> <p><i>to create</i></p> <p><b>Engauge</b></p> <p>a new marketing solutions agency formed in partnership with Stan Rapp</p> <p>July 2007</p>
 <p><i>The right message to the right household</i></p> <p>the leading household-level demographic &amp; behavioral segmentation and data analytics company</p> <p><i>has been sold to</i></p> <p><b>IXI Corporation</b></p> <p>July 2007</p>	 <p>a leading provider of email communication solutions</p> <p><i>has been sold to</i></p> <p><b>Investcorp Technology Partners</b></p> <p>July 2007</p>	 <p><b>quotient</b> <small>MARKETING INC.</small></p> <p>a provider of advanced email marketing technology focused on the travel and hospitality industries</p> <p><i>has been sold to</i></p> <p><b>Fishbowl, Inc.</b></p> <p>May 2007</p>	 <p><i>has acquired</i></p> <p><b>Mosaic Sales Solutions</b></p> <p>a provider of outsourced merchandising and sales services to marketers of branded products</p> <p>April 2007</p>

**PetskyPrunier**  
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