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## H1 2019 SECTOR REVIEW: MARKETING SERVICES

# 534

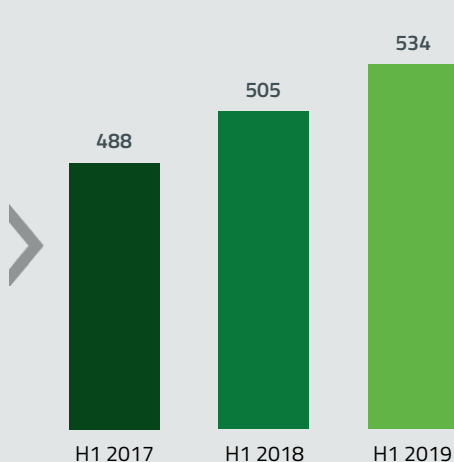
vs. 505 in H1 2018

Transactions announced in H1 2019 in the Marketing Services space

# 36%

H1 transactions

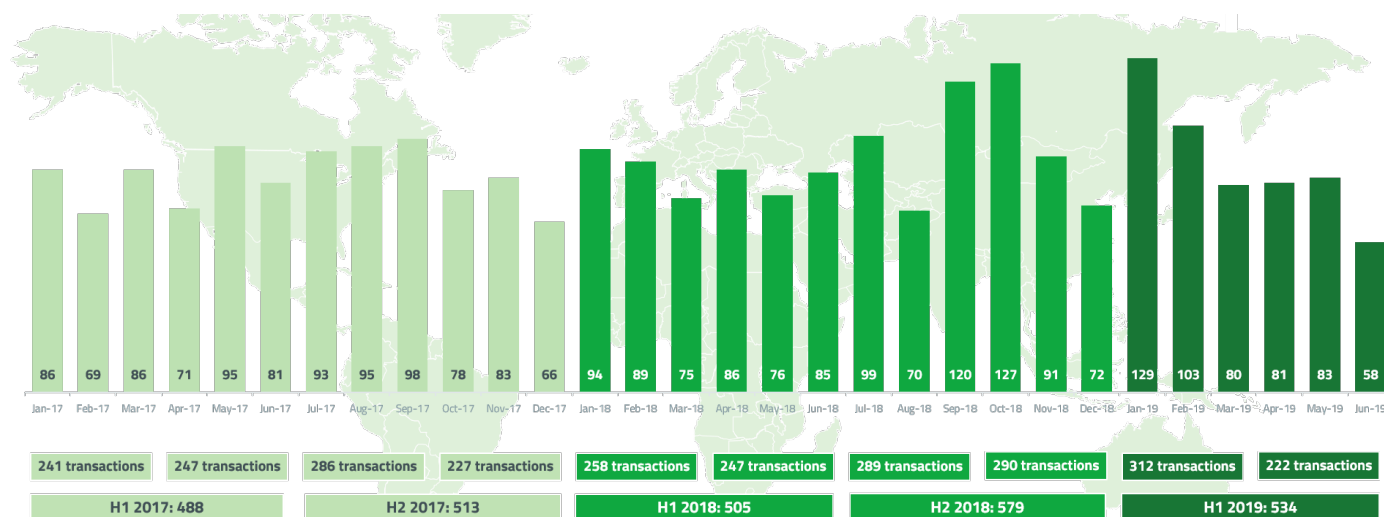
Involved European based transaction targets



### 6% INCREASE IN DEALS COMPLETED H1 2019 VS H1 2018

In contrast to deal volumes in other markets, the total number of deals announced in H1 across marketing services was higher than both 2018 and 2017.

Notable deals in this period included Accenture's acquisition of Droga5 for c\$500m, Publicis' acquisition of Epsilon Data for c\$4bn, and McDonald's acquisition of Dynamic Yield for c\$300m.



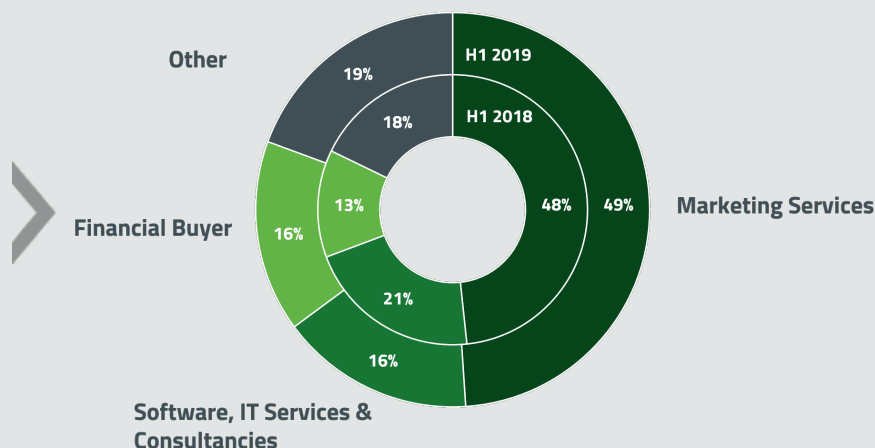
## H1 2019 SECTOR REVIEW: MARKETING SERVICES

### THE BUYER MIX IS INCREASINGLY DIVERSIFIED

Accenture were the most active acquirer in H1, announcing 7 transactions in H1 2019 compared to 4 in H1 2018, which included the acquisition of Hjaltelin Stahl, Denmark's leading independent agency, a deal on which JEGI CLARITY advised.

Of the Global Networks, Dentsu was the most active in H1 with 5 transactions announced. These included the acquisition of Filter, a US based 'in-housing' user experience agency.

Financial buyers were more active in H1 2019 compared to H1 2018, as they continue to see the opportunity to build and scale platforms.



### JEGI CLARITY H1 TRANSACTIONS REFLECT MARKET TRENDS

JEGI CLARITY have had another busy and successful six months advising leading businesses in the space. Notably, of the 5 deals we have completed in H1, 3 involved private equity investors, and 2 involved trade buyers. Namely the sale of leading Danish agency Hjaltelin Stahl to Accenture Interactive and the sale by M&C Saatchi of Blue 449 to Publicis Groupe.



### SOME OF THE LARGEST TRANSACTIONS IN H1 2019

| Ann. Date | Target                  | Acquirer           | Sector           | Value <sup>1</sup> (\$m) |
|-----------|-------------------------|--------------------|------------------|--------------------------|
| Jan-19    | Epsilon Data Management | Publicis Groupe    | Marketing Tech   | 4,071                    |
| Jan-19    | Luxoft                  | DXC Technology     | Tech Services    | 1,970                    |
| Apr-19    | Droga5                  | Accenture          | Agency Services  | 500                      |
| Apr-19    | The Foundry             | Roper Technologies | Content Services | 498                      |
| Apr-19    | Dynamic Yield           | McDonald's Corp.   | Marketing Tech   | 300                      |

### 16% OF H1 2019 DEALS INVOLVED FINANCIAL BUYERS

| Ann. Date | Target                | Acquirer               | Sector         | Value <sup>1</sup> (\$m) |
|-----------|-----------------------|------------------------|----------------|--------------------------|
| Mar-19    | Brainlabs             | Livingbridge           | Tech Services  | Not disclosed            |
| Jan-19    | Fractal Analytics Inc | Apax Partners          | Tech Services  | 200                      |
| Jan-19    | RKD Group             | BV Investment Partners | Marketing Tech | Not disclosed            |
| May-19    | MeritDirect           | Mountaingate Capital   | Marketing Tech | Not disclosed            |
| Apr-19    | Strat7                | Horizon Capital        | Tech Services  | Not Disclosed            |

■ JEGI / CLARITY transaction

### WE EXPECT...

The marketing services sector to remain resilient in the face of a broader M&A market slowdown, pointing to the ongoing strategic need for international buyers to build capability sets in digital, data and content. Likewise we'd expect PE activity to continue in this sector as they ride the wave of digital transformation and look to build acquisition platforms.

## JEGI CLARITY MARKETING SERVICES EXPERIENCE

JEGI CLARITY are leaders in the Marketing Services and Technology M&A marketplace with clients ranging from owner managed, private equity owned as well as larger corporates. See a selection of our latest transactions below.



MeritDirect is a leading provider of omni-channel B2B database marketing solutions and customer data platform (CDP) software.



Brainlabs is a leading technology-led digital marketing agency.



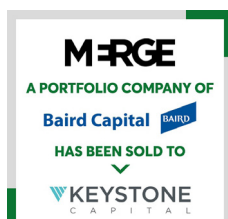
Hjaltelin Stahl is a leading Danish multi-channel experience agency.



Blue 449 is a leading UK media agency.



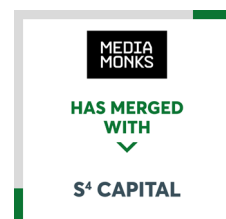
RKD Group is a leading provider of omnichannel fundraising and marketing services to the non profit sector.



MERGE is a leading integrated healthcare and technology deployment agency.



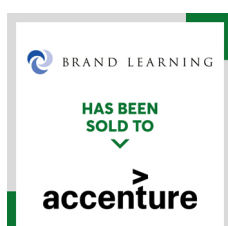
OPEN Health is a leading multi-disciplinary health communications and market access group.



MediaMonks is a leading global creative production platform.



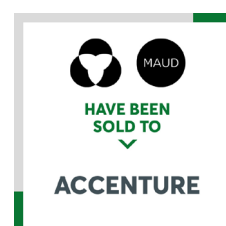
Webcollage is a leading product content management SaaS platform for global brands and retailers.



Brand Learning is a leading marketing and sales capability consultancy.



MC&C is a leading independent performance media agency.



The Monkeys and Maud are leading Australian agencies.

*"I am super happy we chose JEGI CLARITY to advise. Going into a process I wasn't sure what the difference or value add would be; on the other side I can confidently say that they were the difference between a good and an exceptional outcome. At the same time as driving a fantastic process, they also represented us in a way that reflected our business culture. I would recommend them in a heartbeat!"*

**Daniel Gilbert**  
Chief Executive Officer, Brainlabs

## NEWS AND EVENTS

### DM EXCO

JEGI CLARITY look forward to attending the Digital Marketing Expo and Conference in September. DMEXCO is the meeting place for the key players in digital business, marketing, and innovation. Held in Cologne, this year the conference will be attended by over 40,000 visitors, 1,000 exhibitors, and more than 500 speakers over the two day event. If you are at the event and would like to arrange a meeting please contact our BD Director Jonathan Goodale via email [HERE](#).

#### KEY THEMES

- Building trust in the Digital Age and the social consequences of digitisation
- Future technologies and innovations will be prominent this year at DMEXCO with the opening of the “Future Park” in 2019, we expect to see some of the latest technologies on show this year
- Digital reality; mixed reality, 3D, AI, CGI will all be more visible this year as DIGILITY joins DMEXCO for the first time in 2019

#### SELECT SPEAKERS

- Sir Martin Sorrell, CEO, S4 Capital
- Julia Jäkel, CEO, Gruner + Jahr GmbH
- Harley Finkelstein, COO, shopify
- Walker Jacobs, CRO, Twitch
- Howard Lerman, CEO, Yext



JEGI CLARITY look forward to attending Technology for Marketing, the meeting place for industry leaders in MarTech and AdTech. Held in London, this year the conference will be attended by over 15,000 visitors, 250 exhibitors, and more than 350 speakers over the two day event. If you are at the event and would like to arrange a meeting please contact our BD Director Jonathan Goodale via email

#### KEY THEMES

- Millennial engagement in marketing: how established brands can connect with the largest demographic on earth
- 16 months on: how has GDPR impacted the industry
- Personalising customer experiences: what customers really want from brands

#### SELECT SPEAKERS

- Eleni Sarla, CEO, Target Group - HAVAS UK
- Mark Howley, COO & CEO, Starcom UK - Publicis Media
- Matthew Kelleher, CCO, RedEye
- Steve Oliver, Group CEO & Co-founder, Musicmagpie

## JEGI | CLARITY LOOK FORWARD TO COMPETING IN THE WOBURN ABBEY TRIATHLON FOR TRI FOR LIFE

The JEGI CLARITY team look forward to competing at the Woburn Abbey Triathlon to raise money for Tri For Life, a charity which has so far raised over £2.5m for good causes across the UK.

Led by our Partner Marcus Anselm, the team will be competing to raise money for charity, donations can be made via our [FUNDRAISING PAGE](#).



## HEY, DID YOU SEE THIS?

### WELLCOM GROUP AGREES TO ACQUISITION FROM INNOCEAN WORLDWIDE

July 12, 2019

Wellcom Group Limited has agreed to be acquired by Innocean Worldwide for AUD 6.7 per share by way of a scheme of arrangement, except for a 15% stake which will be held by the chairperson-related entity. The offer values the company equity at AUD 265.8m.

[Read Article](#)

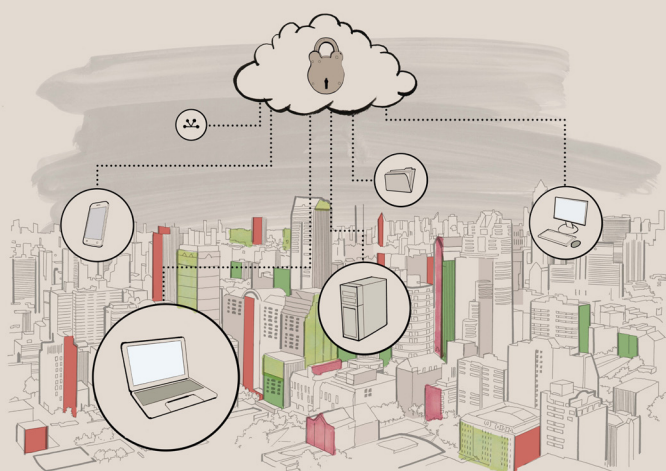


### THINKSTEP ACQUIRED BY SPHERA SOLUTIONS

July 30, 2019

Integrated risk management company, Sphera has entered into an agreement to acquire Stuttgart, Germany-based thinkstep in a deal that could see the creation of an “all-encompassing sustainability, health, safety, risk and product stewardship platform”.

[Read Article](#)



### ASCENTIAL ACQUIRES 35% OF JUMPSHOT FOR \$60.8M

July 22, 2019

Ascential receives a 35 percent equity stake in Jumpshot valued at \$60.76 million; the deal brings marketers unparalleled path-to-purchase consumer insights to optimize digital commerce performance. Connecting to Ascential’s products enables Jumpshot’s solutions to be more precise and scalable as the company expands.

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