

M&A in Advertising, Marketing Services & Marketing Technologies

[Q2 2018]

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M&A Remains Strong for Marcom

In the second quarter of 2018, M&A in marketing communications continued at a bullish pace.

We tracked 93 relevant transactions -- a whopping 37% increase over the same period last year. 71% were US-based, while the UK scored 11% of transactions closed. That said, the global networks generally remained relatively quiet, focusing instead on restructuring, consolidation and technology roll outs. The take away... the buyer group continues to diversify.















Dentsu Aegis led all others with 4 acquisitions (vs. 10 they made this time period last year). DAN acquired the Norwegian media & performance agency, **Red Communications**; the Italian creative agency, **The Big Now**; a Chilean performance agency, **White Label**; and a digital and performance marketing company based in Miami, **M8**.

WPP closed 2 deals this quarter (compared to 6 deals completed in Q2 of 2017) -- both in the UK. Industrial design firm, **Map Project Office** and space design firm, **Universal Design Studio** join AKQA's space in London.

Accenture, now considered an international network, closed three deals -- less than the five closed Q2 2017 yet still remaining a very active acquirer. In the UK, they bought cloud implementation agency, **Certus Solutions**; in Germany, they acquired design consultancy, **Designaffairs**; and in Shanghai digital marketing agency, **HO Communication** joined the group.

Also worthy of note is the **Interpublic Group's** surprise announcement that it will pay more than \$2 billion to acquire **Axiom**, an Arkansas database marketing company.

Major Buyers

Company	Q2 2018 Deals	Q1 2018 Deals	2017 Deals	2016 Deals	2015 Deals
 WPP	2	3	30	33	40
 dentsu	4	4	29	36	26
 accenture	3	2	18	10	7
 HAVAS	0	2	10	4	9
 THE STAGWELL GROUP	1	0	9	1	-
 Publicis	0	0	10	10	19
 IPG	1	0	6	8	4
Omnicom	0	2	1	4	9
 BlueFocus	0	0	3	-	-
CONDÉ NAST	0	1	3	-	-
 Deloitte	0	0	5	3	4
 Cognizant	0	0	3	-	-
 BERINGER CAPITAL	0	0	1	3	-
FREEMAN	1	0	1	2	-
 IBM	0	0	1	7	1
 EY	0	2	-	-	-
 Meltwater	1	1	5	1	-

Holding Company Happenings

Several holding companies continue looking for ways to offer a network of expertise while eliminating red tape. Here are a few stories about changes announced this quarter from Publicis Groupe, Havas and Omnicom.

Publicis Unveils AI Platform 'Marcel'

Publicis Groupe hosted more than 650 clients, staff, and press in Paris to officially "unbox" Marcel, the Groupe's AI-powered innovation platform focused for now on little things that drive people crazy, like scheduling and time sheets. [Digital News Daily](#) May 24, 2018

Havas Has Big AI Plans of its Own

May 24th was also a big day for Havas -- it announced it is forming its own AI innovation center that will explore the technology and its applications to the customer experience. [Mediapost](#) May 24, 2018

Omnicom's New Experiential Group

Omnicom reorganized its collection of experiential marketing agencies and folded them under a new umbrella unit called the Omnicom Experiential Group. For more: [MediaPost](#) June 8, 2018

Some Interesting Stories You May Have Missed

'Advertising Is The ATM For Media': 'Frenemies' Author Ken Auletta on Profound Change in Ad Land

Ken Auletta's new book, "Frenemies: The Epic Disruption of the Ad Business (and Everything Else)" examines the ad industry in midst of profound change. [More:](#) Source: AdExchanger June 5, 2018

Accenture launches programmatic services arm in swipe at agency space

Accenture announced it is launching Accenture Interactive Programmatic Services, a new division that focuses on programmatic in-housing and media planning and buying within its marketing services unit. [More:](#) Source: MarketingDive May 24, 2018

Association Consolidation: ANA to Acquire DMA, ERA Closes Doors

The Association of National Advertisers (ANA), the oldest trade association in the marketing industry, is acquiring the Data & Marketing Association, formerly the Direct Marketing Association (DMA). The deal is subject to formal approval of the voting members of the DMA but is expected to close by July 1. The result will be the single largest trade association in the U.S. for marketers. In another trade announcement, a letter emailed to ERA members by Bill Sheehan, wrote that the ERA's board voted unanimously to close due to "declining dues receipts, fewer sponsorships, and an overall shortage of revenue coupled with burdensome expenses." [More:](#) Source: Response June 6, 2018

See Below for the Full List of Q2 2018 Deals.

Q2 2018 deals

For more information about individual transactions, click on the buyer's name.

BUYER	TARGET	SECTOR (TARGET)	VALUATION
Accenture	Certus Solutions	Cloud Implementation	
Apax Partner's Digital Fund	Solita	Digital Transformation	
BI Worldwide	Bunchball	Gamification Solutions	
BuySellAds	Digg	News Aggregator	Majority Stake
Connelly Partners	Strategem	Technology Resources	
Dentsu Aegis	Red Communications	Media & Performance Agency	100% Stake
Dentsu Aegis' iProspect	White Label	Performance Agency	
Dentsu's Aegis' iProspect	M8	Digital & Performance Marketing	
engage:BDR	AdCel	Digital Agency	
Foote, Cone & Belding, Inc. (FCB)	Oneighty	Advertising Agency	
Freeman	Comotion Consulting Ltd	Consulting Firm	
Fullscreen	Reelio	Influencer Marketing Firm	
Gemspring Capital	TMP Worldwide	Talent Acquisition Technologies	
Great Hill Partners & Reliam	Stratalux	Consulting Firm	
Hakuhodo's KYU Collective	Kepler Group	Digital Agency	Majority stake
Hewlett-Packard Enterprise (HPE)	RedPixie	Cloud Consulting	
IAB Tech Lab	DigiTrust	Online Identity Consortium	
Infosys	Wongdoody	Creative Agency	\$75 Million
KPMG	Adoxio	CRM	
Lambert, Edwards & Associates	Owen Blicksilver	Public Relations	
Lieberman Research Worldwide	Kelton Clobal	Consumer Insights	
Marketo	Bizible	Performance Management Software	
MDC Partners	Instrument	Digital Agency	
Meltwater	Syomos	Social Analytics Software	
Oracle	Grapeshot	Contextual Targeting	
Perficient	Southport Services Group	Microstrategy Consultancy	
precisioneffect	Big Pink	Marketing Agency	
ProKarma Inc.	Lenati	Customer Experience	Merger

Continued »

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	BUYER	TARGET	SECTOR (TARGET)	VALUATION
APRIL	Reply	Valorem	Digital Strategy Consulting	Majority Share
	Smugmug	Flickr	Photo Sharing Platform	
	Spotify	Loudr	Licensing Platform	
	Square	Weebly	Website Builder	\$365 Million
	Stagwell Group	Reputation Defender	Reputation Management Tool	
MAY	The Company	Phelps	Advertising Agency	
	Velocidi	Shiftforward	Marketing Automation	
	Verizon	Moment	Design & Strategy	
	Accenture Interactive	HO Communication	Digital Marketing	
	Adobe	Magento	e-commerce	\$1.68 Billion
	Bain & Company	FRWD	Digital Marketing	
	CI Capital Partners	Hero Digital	Digital Consulting	
	Cisco	Accompany	AI Driven Platform	\$270 Million
	CreativeDrive	Zebra Worldwide	Video and Content Production	
	Deluxe Corporation	LogoMix	Custom Marketing Products	
	dunnhumby	Aptaris Softward	Enterprise Marketing	
	Gannett	WordStream	Digital Marketing Software	\$130 Million
	Gimbal	Drawbridge	Media Company	
	Growth Catalyst Partner's Opus Agency	MAS Event + Design	Experiential Event Design	
	Hampton Carney	Paul Wilmot Communications	PR Firm	
	Hero Digital	MaassMedia	Analytics Consultancy	
	MDC Partner's TEAM	20.1	Multicultural Experiential Agency	
	Microsoft	Semantic Machines	AI Specialist	
	TPG Growth	HALO Branded Solutions	Marketing Services	
	Verve	Receptiv	In-app Video Ad Vendor	
	Vice Media	Villain	Events Production	
	Wasserman	Boris Agency	Experiential Marketing	
	Weber Shandwick	Cappuccino	Digital Marketing	

Continued »

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	BUYER	TARGET	SECTOR (TARGET)	VALUATION
JUNE	YouGov	SMG Insight	Media Measurement	Remaining 80% Stake
	Abry Partners	Screenvision Media	In-Theater Advertising	\$380 Million
	Accenture	designaffairs	Design Consultancy	
	Ansira Partners, Inc.	Brand Protection Agency (BPA)	Platform	
	Aquityads	ADman Media	Platform	
	Ascential	Warc	Media Insights	£19.5m + deferred £4.5m
	AT&T	AppNexus	Cloud-Based Software Platform	\$2 Billion
	Blackstone Group (consortium)	PSAV	Event Experiences	
	BVA	BDRC	Market Research	
	Capgemini	Adaptive Lab	Design Agency	
	CreativeDrive	Zebra Worldwide	Production Company	
	Critical Mix	Ubmobility	Mobile Consumer insights	
	Dentsu Aegis	The Big Now	Creative Agency	
	Dimension Data	e2y	Digital Commerce Consultancy	Majority Stake
	EducationDynamics	JMH Consulting	Higher Education Marketing	
	Elite SEM Inc.	Email Aptitude	CIM & Email Marketing	
	Entravision Communications Corporation	Smadex	Digital Advertising Technology	
	Gray Television	Raycom Media	Broadcaster	\$3.65 Billion
	Interpublic Group's MullenLowe	ARC Public Relations	Public Relations	
	Leanplum	Connecto	Conversational Marketing	
Leaf Group Ltd.	Well+Good	Consumer Internet Company		
Luxoft	Smashing Ideas	Digital Innovation		
Microsoft	GitHub	Large Code Repository	\$7.5 Billion	
NMPI & DQ&A	Joystick	Creative Specialist		
Outbrain	AdNgin	UI Optimization		
Quotient Technology	Ahalogy	Influencer Marketing Firm	\$50 Million	

Q2 2018 deals

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JUNE

BUYER	TARGET	SECTOR (TARGET)	VALUATION
Serent Capital	KORE Software	Business Management Solutions	Investment
Splunk	VictorOps	Incident Management Platform	\$120 Million
STG Partners, LLC	Market Strategies & Morpace	Marketing Research	Merger
Telaria	Slimcut	Video Outstream Technology	
The Association of National Advertisers (ANA)	Data & Marketing Association	Direct Marketing Trade Association	
Tibco Software, Inc.	Scribe Software	API Management and Analytics	
Vista Equity Partners	Integral Ad Science	Ad Verification	Majority Stake
Workday	Adaptive Insights	Business Planning Software	\$1.55 Billion
WPP's AQKA	Map Project Office	Industrial Design	Majority Stake
WPP's AQKA	Universal Design Studio	Space Design	Majority Stake

Q2 Total = 93 deals

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COMMERCE
CULTURE
TECHNOLOGY
MCCRACKEN ADVISORY PARTNERS


plastic
Acquired by


HAVAS
MCCRACKEN ADVISORY PARTNERS


RESOURCE
Acquired

AMMIRATI
MCCRACKEN ADVISORY PARTNERS


iris
Acquired a majority interest in

router
MCCRACKEN ADVISORY PARTNERS


LEWIS^{PR}
Acquired

eba
COMMUNICATIONS
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