



M&A in Advertising, Marketing Services & Marketing Technologies

[Q4 2018]

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Marcom M&A Activity Strengthens in 2018

While activity from the Major Buyers (see chart) was markedly down year over year across the board, 2018 still witnessed a significant increase in M&A activity in our sector over 2017. Deal count grew by 23% overall – there were 391 relevant transactions in 2018 versus the 318 transactions we captured last year. The increase in the number of deals closed was consistent in Q4, where we tracked 99 deals – an increase of 22% over the 81 deals tracked in Q4 2017.
















Dentsu Aegis returned to the top slot, with the highest number of 2018 acquisitions – coming in at 18 but down when compared with 26 total transactions in 2017. In Q4 **Dentsu Aegis** acquired creative agency – **MSFT Partners**; media & content agency – **Videobeat Networks**; marketing agency – **Digital Evolution Group (DEG)**; B2B specialist – **B2B International**; digital agency – **Namics AG**; and live media events production company – **Branded**.

Accenture took the #2 spot with 14 deals closed in 2018. A whopping 8 of these were completed in Q4 including cloud service provider – **DAZ Systems**; content marketing shop – **Content Marketing**; German creative agency – **Kolle Rebbe**; ad tech firm – **Adaptly**; consultancy – **Enaxis**; data intelligence company – **Knowledgent**; cloud implementation firm – **PrimeQ**; and customer relationship management company – **Kaplan**.

Not entirely surprising, given their focus on reorganization, **WPP** completed only 11 acquisitions in 2018 – down substantially from 29 in 2017, with none of these occurring in Q4.

Publicis Groupe made 5 acquisitions compared to 10 in 2017. Three were acquired in Q4 including IT consultancy – **Xebia France**; digital communications shop – **Kindred Group**; and data company – **Soft Computing**.

Major Buyers

Company	Q4 2018 Deals	Q3 2018 Deals	First Half 2018	2018 Deals	2017 Deals	2016 Deals
 WPP	0	6	5	11	30	33
 dentsu	6	4	8	18	29	36
 accenture	8	1	5	14	18	10
 HAVAS	0	2	2	4	10	4
 Publicis	3	2	0	5	10	10
 IPG	0	2	1	3	6	8
Omnicom	0	2	2	4	1	4
 Deloitte	0	1	0	1	5	3
 Cognizant	1	1	0	2	3	-
 BERINGER CAPITAL	1	0	0	1	1	3
 FREEMAN	1	0	1	2	1	2
 IBM	1	0	0	1	1	7
 EY	0	0	2	2	-	-
 THE STAGWELL GROUP	1	2	1	4	9	1
 HUNTSWORTH	0	2	1	3	-	-
 Adobe	2	-	-	2	-	-

Consolidation Continues

Perhaps long overdue, many of the large networks are looking inward to discover opportunities to become more efficient and relevant to their clients. This has involved the development of new corporate strategies, restructuring and consolidation of brands and locations as well as a few divestitures. Almost certainly, this activity and all it entails explains the drastic drop in deals done by many of the usual suspects.

Here are a few of the stories we curated in Q4 on this topic:

Publicis Plans to Sell Part of Health-Care Unit Amid Madison Avenue Shake-up

Advertising giant Publicis Groupe SA reported sales growth just below Wall Street expectations and said it plans to sell part of its health-care business as part of a broader review, the latest sign of contraction on Madison Avenue. [More:](#) Source: The Wall Street Journal, Oct. 18, 2018

WPP Will Merge J. Walter Thompson With Wunderman to Form Wunderman Thompson

WPP leadership has decided to merge J. Walter Thompson, the world's oldest ad agency, with digital network Wunderman, a spokesperson for the former company confirmed today. [More:](#) Source: Adweek, Nov. 26, 2018

WPP Putting Kantar On The Block

WPP plans to sell off part of its research unit Kantar Group, according to a source familiar with the situation. [More:](#) Source: MediaPost, October 24, 2018

WPP To Slash 3,500 Jobs And Consolidate More Agencies In Massive Restructure

The new WPP, as CEO Mark Read called it during a Tuesday morning [investor call](#) in London, will return to organic growth by reducing headcount by about 2.5%, consolidating agencies and investing strategically in technology. [More:](#) Source: Ad Exchanger, Dec. 11, 2018

ICF Combines Agencies Under New Brand to Promote Integration

ICF, whose holdings include PR firm Olson Engage, is putting all of its agencies under one brand, called ICF Next. [More:](#) Source: Holmes Report, Dec. 4, 2018

7 Biggest Agency Mergers, Acquisitions and Shake-Ups of 2018

So many deals, so many name changes. The agency space was all about the art of the deal. [More:](#) Source: AdAge, Dec. 20, 2018

In the Wake of VMLY&R Merger, Expect More Ad Agency Brands to Fall

In response to what can only be described as an existential crisis back in 2009, General Motors decided to cut its roster of brands in half to just four. [More:](#) Source: Fast Company, Oct. 4, 2018

Some Other Stories of Interest You May Have Missed...

ANA: Over Three-Quarters Of Our Members Have In-House Agencies

The number of marketers with in-house agencies has grown sharply over the past five years, according to a new study from the National Association of Advertisers, based on a poll of its members. [More:](#) Source: Mediapost, Oct. 15, 2018

Adobe Is M&A Leader In The Media-Marketing Space

Adobe has not made a lot of deals so far this year -- just one, in fact. But it's huge -- the proposed acquisition of B2B cloud marketing platform Marketo for \$4.75 billion, which was announced in September. [More:](#) Source: Mediapost, Nov. 13, 2018

Over Half Of M&A Pros See Deals Collapse Because Of GDPR: Study

GDPR may or may not have slowed down email marketing. But there is one thing that it has put a brake on: mergers and acquisitions, according to DueDiligence 2022, a study by Merrill Corp. [More:](#) Source: MediaPost, Nov. 14, 2018

MarTech Makes Its Mark In 2018 Marketing M&A Space

M&A deals in the marketing space spiked in value in 2018 -- rising 144% to \$33 billion, according to an analysis by consulting firm R3 Worldwide. [More:](#) Source: Mediapost, Jan. 2, 2018

See Below for the Full List of Q4 2018 Deals.

Q4 2018 deals

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

OCTOBER

BUYER	TARGET	SECTOR (TARGET)	VALUATION
Accenture	DAZ Systems	Cloud Services	
Accenture	New Content	Content Marketing	
Advertising Research Foundation (ARF)	Coalition for Innovative Media Measurement	Media Measurement	
Bertram Capital	Best Version Media	Media and Marketing	
Dentsu Aegis Network	MSTF Partners	Creative Agency	
Dentsu Aegis' Gyro	B2B International	B2B Specialist	
Dentsu Aegis' MKTG	Branded Group	Live Media Events Production	69% Stake
EagleTree Capital	FuseFX	Visual Effects Studio	
Eden Capital	Tour De Force Inc.	Customer Relationship Management	
Global	Exterior Media	Out of Home Media	
H.I.G. Growth	Eruptr	Digital Marketing Healthcare Solutions	
ICF	We are Vista	Creative Communications	
Imre	JMPR	Advertising Agency	
InMobi	Sprint's Pinsight Media	Mobile Advertising	
Jellyfish	The ASO Co	App Store Optimization	
Mi9 Retail	MyWebGrocer	Software and Digital Media	
Oracle	Datafox	Cloud Based AI	
Pavone Marketing Group	DDCworks	Full Service Agency	
Publicis Groupe	Kindred Group	Digital Communications	
Publicis Groupe	Xebia France	IT Consultancy	
Salesforce	Rebel	Interactive Email Startup	
Scripps	Triton	Audio Tech	\$150 Million
Stagwell Group	Ink	Travel Media Company	
ThreeBridge Solutions	LiftPoint Consulting	Marketing Analytics	
Twilio	SendGrid	Email API Platform	

Continued »

Q3 2018 deals

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

NOVEMBER	BUYER	TARGET	SECTOR (TARGET)	VALUATION
	Upland Software	Rant & Rave	Software Engagement Solutions	\$64 Million
	W2 Communications	Mesh Omnimedia	Creative Agency	
	Accenture	Kolle Rebbe	Creative Agency	
	Accenture Interactive	Kaplan	Customer Relationship Management	
	Adjust	Acquired.io	Data Aggregation Platform	
	Adroll	Growlabs	B2B Data & Sales Tools Startup	
	Avenir Global	Cherry	Creative Healthcare Agency	
	Bounteous	Demac Media	e-commerce	
	Bruin Sports Capital	Soulsite	Branding Agency	
	Conversionpoint	Inuvo	e-commerce	\$75.7 Million
	Conviva	Delmonda	Social Video Analytics	
	Criteo	Manage	Mobile App Install Solution	
	Deltatre	Massive Interactive	UX Specialist	\$127 Million
	Dentsu Aegis' Merkle	Namics AG	Full Service Digital Agency	
	Epam	Th_nk	Digital Agency	
	Finn Partners	Missy Faren & Associates (MFA)	Travel Marketing Company	
	Forrester	SiriusDecisions	B2B Research and Advisory Firm	\$245 Million
	Fortune Media Group Holdings Ltd	Meredith's Fortune Magazine	Business Media	\$150 Million
	Gemspring Capital	Bobit Business Media	B2B Publisher	
	IBM	Red Hat	Open-Source Software and Tech Distributor	\$34 Billion
	iHeartMedia	Jelli	Programmatic Ad Startup	
	Ipsos	Synthesio	Social Listening Platform	
	M&C Saatchi	Technology Humans and Taste (THAT)	Creative Agency	Minority Interest
	Marlin Equity Partners	Shift	Media Software Company	
	Mediafly	Alinean	Software and Consulting	
	Microsoft	XOXCO	Software Product Design Studio	
	Nexstar	Tribune Media	Television Station Operator	4.1 Billion
	NTT DATA Services	Sierra Systems Group	IT Consultancy	

Continued »

Q4 2018

Q4 2018 deals

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

	BUYER	TARGET	SECTOR (TARGET)	VALUATION
NOVEMBER	Nunn Media	Local Planet	Media Agency Network	
	PA Consulting	Essential Design	Innovation Strategy & Design	
	Perficient	Elixiter	Marketing Consultancy	
	Plan A	Badger & Winters	Advertising Agency	
	Project Worldwide	Dark Horse	Advertising Agency	
	ProSiebenSat.1	eHarmony	Online Dating Site	
	Quad Graphics	Periscope	Full Service Agency	\$132 Million
	Quad/Graphics	LSC Communications	Magazine Printer	\$1.4 Billion
	Quotient Technology	Elevaate	Technology Platform	
	S4 Capital	MightyHive	Programmatic Firm	\$150 Million
	Sage Communications	Virtual Marketing	Marketing Agency	
	SAP	Cloud Unicorn Qualtrics	Tech	\$8 Billion
	Shopify	TicTail	e-commerce	
	Smithbucklin	360 Live Media	Experience Design Agency	
	Vestor Capital Partners	IRI Worldwide	Consumer Data	Investment
DECEMBER	VisionZ	Eleven	Creative Agency	
	Vista Equity Partners	Apptio	IT Cost Analysis Software	\$1.9 Billion
	Accenture	Adaptly	Ad Tech Firm	
	Accenture	Enaxis	Consultancy	
	Accenture	Knowledgegent	Data Intelligence	
	Accenture	PrimeQ	Cloud Implementation	
	Chime	Method Communications	Sports Communication Agency	
	Cognizant	Mustache	Creative Content Agency	
	Dentsu Aegis Network	Videobeat Networks	Media & Content Agency	70% Share
	Dentsu Aegis Network (Isobar)	Digital Evolution Group (DEG)	Marketing Agency	
	Directions Research	Seek	Consultancy	
	Fishawack Group	Blue Latitude Health	Creative Marketing Consultancy	

Q4 2018 deals

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

DECEMBER

BUYER	TARGET	SECTOR (TARGET)	VALUATION
Freeman	MDG	Event Marketing	
H.I.G. Capital	Vision Integrated Graphics Group	Marketing Services	
Hero Digital	Clock Four, Inc.	Digital Agency	
Hypergiant Space Age Solutions	Black Pixel	Software Developer	
Keystone Capital	MERGE	Marketing and Technology	
LineUP7	EDDO	UX Agency	
MongoDB	mLab	Cloud Database Service	
Open Health	Peloton Advantage	Healthcare Communications	Merger
PA Consulting	We Are Friday	Digital Design & Engineering	
PRA	One Smooth Stone	Event and Communications Agency	
Precision Medical Group	Stern Investor Relations	Investor Relations	
projekt202	Cibo	Brand Experience Design Firm	
Publicis Groupe	Soft Computing	Data	Majority Share
Sovrn	Viglink	e-commerce	
Upland Software	Adestra	Email Marketing	
Verint	ForeSee	Cloud VoC	
Vista Equity Partners	7Park Data	Data Analytics	
Vista Equity Partners	Mindbody	Technology Platform	
YouGov	Portent.IO	Film & TV Analytics	
Q4 Total = 99 deals			

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