



**Gridley & Company** LLC  
*Matching buyers, sellers and capital sources*

# **Choosing the Right Investment Banker**

## ***A Guide to Vetting a Sell-Side Advisor***



**Gridley & Company LLC is pleased to publish our thoughts on choosing the right investment banker for you. It is important for you to have an advisor you can count on at your side. A strategic transaction can be very time-consuming, so it makes sense to have professional help. And, all transactions have points of difficulty so make sure your investment banker is someone you can trust.**

**Gridley has an indisputable track record for successful transaction execution across all sectors of the information services industry. We have a broad network of industry relationships that we have developed over 25 years of experience in the investment banking industry. We use this network on behalf of our clients to gain invaluable insights into effective positioning, diligence, valuation, and negotiation for a particular transaction. Our goal is to be a "trusted strategic advisor" to our clients and to treat their brand as our brand in the marketplace. We are careful and considerate in our approach and view every transaction that we do as an opportunity to make a strategic statement to the market. We are not simply in the "tombstone building" game.**

**We hope this short presentation is helpful to you. Please call us if you would like to discuss this further.**

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# Why Hire an Investment Banker?

- **An experienced banker can help you maximize value**
  - A banker's industry perspective, deep network, and experience in the market can help position your company to maximize value
  - A trusted and experienced advisor is invaluable in tough situations and negotiations
- **Running your business and ensuring minimal disruption is priority #1**
  - You want a trusted advisor to manage time-consuming processes, such as due diligence
- **For CEO's looking for private equity capital, consider an advisor who knows LOTS of relevant potential investors who can be helpful to your business**
  - Finding investors with the right fit is more important to your business than just their checkbook

# What Should I Expect From My Investment Banker?

Your advisor should:

- Be professional
- Understand your business and the industry you compete in
- Be experienced, on both sides of the table
- Have quality contacts, not just a rolodex of business cards
- Be diligent and thoughtful about positioning your business to maximize success



# Do's and Don'ts



## Do:

- **Take the same care that you took in building your business**
  - Potentially one of the biggest strategic decisions you will make!
- **Ask about their contacts at key buyers**
- **Get to know the entire investment banking team**
  - Understand the level of support behind your lead advisor
- **Ensure your advisor is aligned with you and your objectives**
  - Tell them exactly what you need so they can tell you how they plan to achieve that

# Do's and Don'ts



## Don't:

- **Pick a firm, you should pick a *team***
- **Wait until sale date to get to know bankers**
- **Just leave the decision to the VC or majority-owners**
  - It's your business, you built it!
- **Just pick the one that promises the highest price**
  - Be careful about “advisors” who make it all about the dollar, there's so much more to the process
- **Just talk to star references**
  - Reach out to those who had difficult situations

# The Goal

- **At the end of the day, you want an investment banker who can help fight the battles that you don't want to**
  - An investment banker should have the experience to go toe-to-toe during negotiations and other contested situations
  - Remember, you still have a business to run!
- **You want an advisor who you can count on for the long-term, not just for a single transaction**
  - It takes time for an advisor to “get” you, so one that understands your modus operandi is invaluable

# The Gridley Approach

- **Quality execution – your brand is our brand when we are in the market**
- **Thoughtful, strategic approach to maximize interest and valuation**
- **Experienced bankers ensure transaction success – bulge bracket trained bankers with intimacy of boutique environment**
- **Long-term information services industry focus provides competitive advantage to our clients**
  - Extensive network of industry relationships offers insights on due diligence and transaction positioning, as well as access to buyers, sellers, and investors
  - Long-term knowledge of industry sectors helps to provide the right strategic advice, not simply to add another tombstone
- ***We leave no client behind* – our goal is to have 100% reference-ready clients, even with the deals that don't get done**

# Selected Recent Gridley Transactions

- Gridley clients include industry leaders and premier emerging growth companies
- Gridley provides strategic advisory work in addition to the transactions listed below

<p>Undisclosed</p> <p><b>digitaria</b></p> <p>Acquired by WPP Group plc Advisor </p>	<p>Undisclosed</p> <p> <b>gsi commerce*</b></p> <p>Acquired FetchBack Inc. Advisor </p>	<p>Undisclosed</p> <p> <b>gsi commerce*</b></p> <p>Acquired M3 Mobile Marketing Advisor </p>	<p>Undisclosed</p> <p> <b>CommuniFX</b></p> <p>Acquired by MDC Partners Inc. Advisor </p>	<p>Undisclosed</p> <p> <b>gsi commerce*</b></p> <p>Acquired Pepperjam Advisor </p>	<p>Undisclosed</p> <p> <b>gsi commerce*</b></p> <p>Acquired Silverign Group Inc. Advisor </p>	<p>\$20,000,000</p> <p><b>aventa</b> WORLDWIDE</p> <p>Investment by TZP Group LLC Placement Agent </p>
<p>\$367,000,000</p> <p> <b>CBORD®</b></p> <p>Acquired by Roper Industries, Inc. Advisor </p>	<p>\$157,000,000</p> <p> <b>gsi commerce*</b></p> <p>Acquired e-Dialog, Inc. Advisor </p>	<p>Undisclosed</p> <p> <b>Yankelovich</b></p> <p>Acquired by WPP Group plc Advisor </p>	<p>Undisclosed</p> <p> <b>PassGo</b></p> <p>Acquired by Quest Software Advisor </p>	<p>Undisclosed</p> <p>Email Business of  <b>bluestreak</b> DIGITAL MARKETING INNOVATION</p> <p>Sold to One to One Interactive, Inc. Advisor </p>	<p>Undisclosed</p> <p>Ad serving Business of  <b>bluestreak</b> DIGITAL MARKETING INNOVATION</p> <p>Sold to Aegis plc Advisor </p>	<p>Undisclosed</p> <p> <b>PRIMIS</b> MARKETING GROUP</p> <p>Sold to Parthenon Capital LLC Advisor </p>
<p>\$113,189,337</p> <p> <b>Bankrate.com</b></p> <p>Secondary Offering Co-Manager </p>	<p>\$17,450,000</p> <p>PrePay Intelligent Network Solutions (INS) Business Unit of  <b>Lightbridge</b></p> <p>Acquired by Verisign Issued Fairness Opinion </p>	<p>Undisclosed</p> <p> <b>CATALINA MARKETING</b> Research Solutions</p> <p>Acquired by Schulman, Ronca, &amp; Bucuvalas, Inc. Advisor </p>	<p>Undisclosed</p> <p> <b>DVC Sales</b></p> <p>Acquired by ISIS Equity Partners, Inc. Advisor </p>	<p>\$138,000,000</p> <p><b>DIGITAS</b></p> <p>Acquired Modern Media, Inc. Advisor </p>	<p>Undisclosed</p> <p> <b>CATALINA MARKETING</b> Direct Marketing Services</p> <p>Acquired by Valassis Communications Inc Advisor </p>	<p>\$58,000,000</p> <p><b>DoubleClick</b></p> <p>Acquired Performics, Inc. Advisor </p>
<p>Undisclosed</p> <p>Advisory Communications Systems, Inc. (ACS) d/b/a  <b>LAWPHONE</b></p> <p>Acquired by ARAG Group Advisor </p>	<p>\$55,200,000</p> <p> <b>SOURCE INTERLINK COMPANIES</b></p> <p>Follow-On Offering Co-Manager </p>	<p>Undisclosed</p> <p>Marketing One to One, Inc. d/b/a  <b>Peppers &amp; Rogers Group</b></p> <p>Acquired by Carlson Marketing Group Advisor </p>	<p>Undisclosed</p> <p><b>FREQUENCY</b> MARKETING CO.</p> <p>Acquired by Alliance Data Systems, Inc. Advisor </p>			



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