



AUTOMOTIVE VENTURES

AUTO INTEL REPORT \ JULY 2021

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INTRO

<<< JULY 2021

AUTOMOTIVE VENTURES INTEL REPORT

WELCOME TO THE

»» **AUTOMOTIVE VENTURES INTEL REPORT**

JULY 2021

In this issue, we provide an overview of our new Automotive Ventures VC fund. Let me know if you come across any early-stage AutoTech companies we should consider investing in.

We look at the two significant (and large) deals in the Digital Retailing space last month, with CDK Global's acquisition of Roadster, and Reynolds' acquisition of Gubagoo.

We have a guest Op-Ed piece from David Stringer from Insignia Group on the importance of accessory sales for dealers.

And we have a new slate of "Companies to Watch" for July.

As always, please send me a note if there's anything I've missed, or if there's any content that I can add in future editions that will be helpful.

Many thanks and have a great month!

Steve Greenfield
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>>> WHITEPAPERS AVAILABLE

AUCTION DISRUPTORS

















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WHOLESALE AUCTIONS

AUCTION CHANNELS AND MARKET SHARE

AUCTION CHANNELS AND MARKET SHARE					Market Share by Channel			
					High	Medium	Low	None
					Consignor Type			
Wholesale Channel	Description	Examples	OEM Captive Finance	Financial Institution (Repo)	Fleet	Franchise Dealers	Independent Dealers	
Upstream Online	<ul style="list-style-type: none">Off-lease cars listed for sale online; closed OEM dealer & open optionsCar is on dealer's lot	 	40%	0%	0%	0%	0%	
Dealer-to-Dealer/Trade-ins	<ul style="list-style-type: none">Direct-to-dealer, dealer-to-dealer or between dealers & wholesalersCar location can vary		0%	0%	80%	20%	55%	
Digital Trade Network	<ul style="list-style-type: none">Online or mobile live auction for dealers, primarily franchiseCar is on dealer's lot	   	0%	0%	0%	10%	1%	
Online Pre- & Post-Auction Sales	<ul style="list-style-type: none">Online sales with buy now or bid sale before and/or immediately after auctionCar at dealer lot, in-transit, or at auction	  	5%	5%	0%	10%	5%	
Simulcast	<ul style="list-style-type: none">Live stream of physical auctionRemote buyers for cars in the lane	 	25%	40%	10%	30%	9%	
Physical Auction	<ul style="list-style-type: none">Traditional in-person auctionCar is in the lane	 	30%	55%	10%	30%	30%	
Total			100%	100%	100%	100%	100%	

Source: Automotive Ventures Estimates

FREE TO DOWNLOAD ↓

INVESTORS IN AUTO TECH

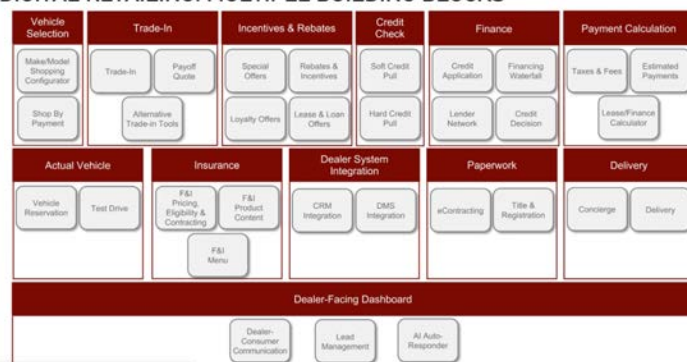
>>> PRIVATE EQUITY PLAYERS FOCUSED ON AUTOMOTIVE

Adient International Assets Under Management \$54B	KKR Assets Under Management \$218B	VISTA Assets Under Management \$43B
CCC Assets Under Management \$10B	ib Assets Under Management \$10B	Deerlock Assets Under Management \$10B
THOMABRAVO Assets Under Management \$30B	HILLMAN & FREEDMAN Assets Under Management \$50B	Blackstone Assets Under Management \$538B
J.D. POWER Assets Under Management \$10B	CALIBER COLLISION Assets Under Management \$10B	Scout24 Assets Under Management \$10B
Apax Assets Under Management \$51B	PROVIDENCE EQUITY Assets Under Management \$45B	GENERAL ATLANTIC Assets Under Management \$37B

FREE TO DOWNLOAD ↓

DIGITAL RETAILING

DIGITAL RETAILING: MULTIPLE BUILDING BLOCKS



FREE TO DOWNLOAD ↓

AUTOMOTIVE ADVERTISING

WHERE DO DEALERS SPEND AD DOLLARS?

2016 Dealer Ad Spend by Month (per franchise dealer)



2019 Dealer Ad Spend by Month (per franchise dealer)



85.5 new units sold per month
+
74.4 used units sold per month
= 160 total units sold per month

FREE TO DOWNLOAD ↓

INVESTOR PRESENTATIONS AVAILABLE

FREE TO DOWNLOAD



Publicly-available investor presentations from AutoTech companies that have IPO'd

Available for free

DOWNLOAD

A dark, rugged off-road vehicle, possibly a Land Rover Defender, is parked on a gravel surface. The vehicle is equipped with a spare tire mounted on the roof and various off-road accessories. A large, semi-transparent red diagonal shape overlays the lower half of the image, creating a modern, graphic design element. The background is a dark, overcast sky.

IN THE NEWS

>> IN THE NEWS

Market comeback continues, but record-low supplies darken outlook
June 2, 2021
Automotive News

High valuations, future worries spur some dealers to sell their stores
June 20, 2021
Automotive News

Dow rises 200 points, S&P 500 hits record high as Wall Street wraps up strong first half of 2021
June 29, 2021
CNBC

AlixPartners: U.S. auto sales to hit 16.4 million in 2021
June 16, 2021
Automotive News

Bitcoin Price Stabilizes, Nasdaq Hits All-Time High
Jun 22, 2021
THE WALL STREET JOURNAL

U.S. IPOs hit annual record in less than six months
June 15, 2021
REUTERS

Intel CEO Says Chip Shortage to Hit Bottom in Second Half
June 25, 2021
Bloomberg

Haig Partners: Booming profits push rooftop values to highest point ever
June 16, 2021
Auto Remarketing

M&A activity has already blown past the \$2 trillion mark in a record-breaking 2021
June 2, 2021
FORTUNE

Despite inventory woes, automakers post records as May sales soar
June 7, 2021
Automotive News

CarMax posts record quarterly results
June 25, 2021
Automotive News

Biden's EV charging push could boost automakers taking on Tesla
June 25, 2021
REUTERS

»»THEY SAID IT: QUOTES

“ Quotes

“Our strong performance, which included record net revenues and profitability, reflects the strength of our omni-channel experience and diversified business model across retail, wholesale and CAF.”

- Bill Nash, CarMax
President & CEO

“Automotive retailing is extremely complex, and the best way to create a truly frictionless, end-to-end buying experience is to fully integrate our technology with the back-end systems that power dealership sales, finance and operations, regardless of provider.”

- Andy Moss,
Founder/CEO,
Roadster

“The future of the auto industry is electric. There’s no turning back. The question is whether we will lead, or we will fall behind in the race to the future.”

- President Joe Biden

The background of the slide is a high-contrast, low-key photograph of the rear of a yellow Lamborghini Countach. The car's distinctive rear features, including the large central air intake with horizontal slats and the side air vents, are visible. A large, semi-transparent red diagonal shape is overlaid across the center of the image, creating a dynamic graphic element. The text "INDUSTRY TRENDS" is written in a bold, white, italicized sans-serif font across the middle of the red shape.

INDUSTRY TRENDS

>>> INDUSTRY TRENDS



COVID-19

181 million (55%) Americans have received at least one dose; 155 million (47%) are fully vaccinated. A fourth stimulus check may happen before Congress' July recess.



PUBLIC MARKETS

Both the S&P 500 and NASDAQ hit record highs last month. Software (SaaS) multiples are near all-time highs. A record number of M&A deals were announced in the first half of the year (both by deal volume and \$ amount). Private Equity "dry powder" is at a record level.



INVENTORY SHORTAGE

Dealers are facing new vehicle inventory shortages and consumers are facing limited supply/selection and higher prices. The problem is not likely to be alleviated before the end of the year (at the earliest).



USED VEHICLE PRICES

Shortage of used cars: fewer repossessions, fewer rental cars defleeted and fewer lease returns (due to prices often higher than the end-of-term residual value). Wholesale auction prices at all-time-highs; some used cars are selling higher than their MSRP.



MICROCHIP SHORTAGE

Global microchip shortage is leaving car dealership lots empty. Chip shortage is expected to cost auto industry \$110 billion in revenue in 2021.

The image shows the front of a dark-colored Dodge Charger. The car's grille features the 'Charger' script and a red 'R/T' badge. A large, semi-transparent red diagonal shape is overlaid across the center of the image, extending from the bottom left towards the top right. The text 'GREENFIELD'S POINT OF VIEW' is written in a bold, italicized, white sans-serif font across the middle of the red shape.

GREENFIELD'S POINT OF VIEW

>>> GREENFIELD'S POINT OF VIEW

We've officially launched our first venture fund, which was oversubscribed with more than \$7m in committed capital that we're eager to deploy into early-stage automotive tech companies.

Why start a VC?

We've witnessed a shortage of institutional capital for early-stage auto tech companies for decades and believe that we are now uniquely positioned to provide these funds, as well as deep automotive expertise and connections, to early-stage entrepreneurs when they need it most.

At the same time, North American venture capital has beat out every competing asset class in three-year IRR performance, at 18.5%, according to PitchBook data.

Finally, it's an exciting time to be in automotive. We believe the industry is at an inflection point and on the cusp of massive change. We are excited and humbled to play a small part to help usher in the next wave of

technological innovation in the industry by funding the founders who are building transformational companies in this space.

Our Investments

We've been actively investing since our first close in December 2020. We are honored to count the following eight companies as Automotive Ventures portfolio companies: [Algodrive](#), [Car Capital](#), [Dollaride](#), [HopDrive](#), [Lender Compliance Technologies](#), [RoboTire](#), [SparkCharge](#), and [WarrCloud](#).

Our Investment Focus

Our key focus areas across automotive - and mobility more broadly - include the digitalization of dealerships, electrification, car connectivity, autonomy, and shared mobility. We will additionally fund startups with a wide array of different business models, from B2B SaaS and data companies, to marketplaces and even hardware businesses.

We're proudly located in Atlanta, Georgia and love meeting founders in our backyard. That said, in terms of our investment strategy, we plan to be geographically agnostic, though anticipate that most of our investments will be made in U.S.-based companies.

Our team has a comprehensive set of filters through which we evaluate opportunities, but there are **three factors** that we weigh most heavily:

Team: we strongly favor experienced, full-time team members with a compelling connection to the problem being solved and those who display the highest level of integrity.

Total Addressable Market (TAM): we only fund founders who are working to solve a problem in a multi-billion-dollar market.

Unique Approach: there must be unique IP, insights, sales channels or other defensible "moats" that will create barriers to entry for both incumbents and new entrants.

»» INVESTMENTS TO DATE



Empowers car dealerships, banks and insurance companies with automotive data - giving them the tools and resources to compete in a changing, omni-channel, automotive retail landscape. In the Australia, New Zealand and Middle East markets.



100% automated instant approvals for dealers. Every dealer has access to software that allows them to make their own approval decisions based on the economics of each unique car and consumer.



Helps lenders take control of the cancellation and refund process of F&I products and protect against operational errors that can ultimately be found by regulators to violate consumer protection laws.



Turnkey solution that automates the way dealers move cars for their customers - with total transparency for your clients and limited liability for your organization. Clients more easily attract and retain customers while consistently increasing their RO size by 40% or more.



An innovative technology platform that connects people living in transit deserts to private ride-sharing networks called "dollar vans." Dollaride connects operators, drivers, and passengers through the first digital platform for informal transit.



Automating vehicle maintenance for today and future autonomous vehicles with robot and software starting with tire changing in which we can do a set of 4 tires in 10 minutes from pull in to pull out.



Portable, ultrafast, and modular charging stations for electric cars. ChargeUp is the world's first mobile and intelligent on-demand EV charging network. Roadie is the world's first and only ultra-fast nodular portable EV charger.



WarrCloud's proprietary machine learning powered software & experienced professional service teams transform warranty claims administration saving dealerships time and money.

»» GREENFIELD'S POINT OF VIEW

Our Process

We aim to invest in the very early stages of a company's journey, most typically in the seed or pre-seed round -- but occasionally our first investment may be in the Series A. We anticipate that we'll often be the first "institutional" investor that puts in money and find ourselves investing alongside angel investors and even "friends and family".

Our initial check size will be \$100k - \$200k, but our Limited Partners often have an interest in co-investing alongside us (more on this below). We've reserved 50% of our capital for follow-on investments, in which we'll cut slightly larger checks into our portfolio companies (and often enable participation from our Limited Partners to co-invest).

Our Unique Value-Add

Most critical to entrepreneurs, we're uniquely positioned to help energize their companies' growth by

providing:

- **Industry Connections and Reach:** our team has deep connections with the most important potential investors, customers, partners and acquirers in the automotive space. Additionally, the Automotive Ventures Intel Report, LinkedIn following, and other company media efforts are reaching an increasing percentage of the industry, providing valuable exposure for our portfolio companies.
- **Deep Auto Industry Expertise:** our sole focus is automotive and has been for decades, giving us a unique understanding of industry dynamics. We're in a privileged position to share that insight with our portfolio companies to help them see around corners and make the best strategic decisions for their companies.
- **Access to Our Pool of Investors:** our Limited Partners are forward-thinking investors in the automotive space and primarily fall into one of two buckets: (1) dealer operators and (2) successful automotive technology entrepreneurs. They are uniquely capable

of providing early customer feedback to accelerate product/market fit. Through their networks, they can help entrepreneurs get access to a critical mass of customers. Many of our investors also regularly invest alongside us when given the opportunity.

Thank You

A big thanks to our limited partners, advisors, and fellow investors for supporting us on this journey. And most importantly, we wish to share a huge kudos and thank you to our portfolio companies who are each working to redefine their respective slices of the auto industry and inspire us each and every day.



Steve Greenfield

CEO and Founder
Automotive Ventures



WHAT WE LOOK FOR

EXIT POTENTIAL & MARKET:

\$100+ million exit valuation and TAM of > \$1 billion

VIABLE UNIT ECONOMICS:

High LTV/CAC combined with unique acquisition channels

DEFENSIBLE PRODUCT:

Network effects, unique industry knowledge, and defensible moat

VALUE-ADD OPPORTUNITY:

Automotive Ventures can bring unique value as an investor

TRACTION:

Strong indication of authentic demand and path to monetization

CLEAR EXIT OPPORTUNITIES:

A clear path to M&A or IPO

SCALEABLE BUSINESS MODEL:

Solving major pain point with a clear monetization strategy

TOP-NOTCH TEAM:

An experienced full-time team with proven excellent execution

COMPANY CULTURE:

100% integrity



GUEST OP-ED

Dealerships Turn to Accessory Sales to Bolster Revenue, Uncover Hidden Profits

- David Stringer, Founder and CEO of Insignia Group

>>> GUEST OP-ED David Stringer, Founder and CEO of Insignia Group

The pandemic's impact on our industry was swift and harsh and experts predict full recovery is likely years away. Stymied production lines during COVID, combined with today's chip shortages, have taken a significant toll on inventory levels. Like never before, dealers are challenged to find innovative ways to cut costs, grow revenue, and optimize their operations.

Vehicle accessory sales have long been viewed as only supplemental to a dealership's overall revenue, despite the fact that people love to customize their cars and are willing to pay a lot of money for the option. In the wake of the pandemic, accessory sales have taken on a much greater importance for dealerships.

Consider these statistics:

- The small-to-average sized dealership can expect about \$250,000 in revenue a year from accessory sales, with many dealerships generating millions of dollars in revenue¹.

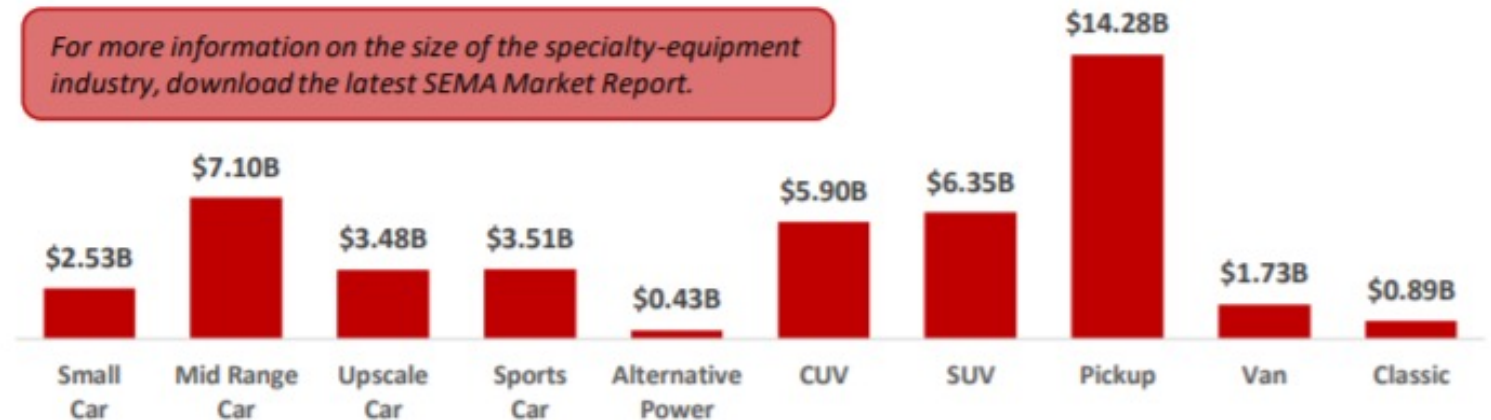
- Most dealerships tap into a mere 10% of the accessory sales market - about \$5 billion of a \$46 billion accessory industry².
- 80% of the vehicles on the road are SUVs, vans, pickups, and CUVs. Three of the four vehicles in this group (SUVs, pickups, and CUVs) represent the highest accessory profit margins³.

- Each month, there are more than 2 million consumer searches for various types of vehicle accessories, including bed liners, bike racks, and all-weather floor mats⁴.

The cars we own are an extension of our personality and vehicle customization is a great way to express our individuality. For dealerships looking to thrive in these challenging times, accessory sales are a great way to bolster revenue and uncover hidden profits.

2019 Aftermarket Sales Estimates by Vehicle Segment

For more information on the size of the specialty-equipment industry, download the latest SEMA Market Report.



>>> GUEST OP-ED David Stringer, Founder and CEO of Insignia Group

Overcoming Accessory Sales and Marketing Mistakes

Mistake #1: Failure to promote accessories offerings.

Just about every dealership has at least one display wall with a few floor mats or a Katzkin Leather sample booklet sitting in the sales lobby. However, most consumers don't know the breadth or depth of the accessories dealerships offer and as a result, often turn to aftermarket companies (after the fact) to purchase the add-ons they want.

Many people don't know they can purchase aftermarket products straight from the dealership, at the time of sale, and wrap any additional costs into their monthly payment - often for just a few dollars more.

Recommendation #1: Make your dealership a "customization hub."

Advertise the accessories you offer in your marketing

materials. Promote the accessories you offer on social media. Clearly articulate the fact that your customers can modify their cars, exactly the way they want, and affordably wrap these costs into their monthly payment. Make your dealership the local "customization hub." In addition to capturing more revenue for aftermarket product sales, capitalize on revenue generated from product installations at your dealership.

Mistake #2: Failure to optimize accessories information online.

Today's consumers spend an average of 14 hours online researching an average of seven websites during their car buying journey⁵. Brand loyalty is elusive, with 87% of consumers shopping around before they buy, and less than half (42%) actually purchasing an incumbent brand⁶. The goal of any dealership's website is to provide potential customers with the content, tools, and services they need to buy from you. If they can't find the information they're looking for - including the accessories you provide - they'll likely move on.

Recommendation #2: Prominently post accessories information at your website.

Post all of the accessories you offer at your website and update them frequently. Promote accessory packages and specials each month. Create engaging aftermarket product blog posts, including the latest add-on trends and recommendations for parents, younger consumers, and seniors. Make your website a customization information hub, where everything they need to know about the accessories you offer is right at their fingertips.

Mistake #3: Failing to time your accessories sales discussion right.

People love vehicle customization, but if you're talking about aftermarket products too early in the sales process, you're likely leaving money on the table. In a recent study, consumers indicated they most appreciate salespeople who do not place a high level of pressure on them (48%); are considerate of their time (41%);

>>> GUEST OP-ED David Stringer, Founder and CEO of Insignia Group

have strong product knowledge (40%); treat them with respect (40%); and listen carefully to their needs (37%).

Recommendation #3: Provide your customers with a low-pressure experience.

Consumers don't want a pushy sales associate, so stop discussing accessories 10 minutes into the process. Instead, save this conversation until you're compiling numbers in the F&I department. When you present customers with an easy way to wrap the costs of add-ons into their monthly payment, at the right time, you grow your business and improve CSI.

Millions of consumers want window tints, remote starts, leather seats, cargo liners, bed covers, and infotainment centers. Be the dealership that's known to offer these accessories, easily and conveniently, to gain a competitive edge in today's challenging marketplace.

Footnotes:

1. Insignia Group Data System 2019
2. SEMA
3. SEMA Vehicle Landscape Report 2021
4. Google Keyword Planner
5. COX Automotive & Jumpstart Automotive Group and Ipsos 2018/2019
6. McKinsey & Company 2017



David Stringer

Founder/CEO
Insignia Group

David Stringer is founder and CEO of Insignia Group, the leading accessory sales software company in the automotive industry. He has dedicated 20 years of his professional career to helping dealerships achieve accessory sales success.

Insignia Group's patented 3D, interactive visualizer presents the model and trim of any vehicle manufactured in the last 15 years and the accessories that fit on them. Customers can use the program in the showroom, through digital retailing platforms, or from your dealership website, to shop and submit orders for their new or used vehicles.

For more information, visit www.insigniagroup.com.



AUTO TECH LANDSCAPE

AUTOMOTIVE TECHNOLOGY LANDSCAPE

TRAFFIC GENERATION (awareness & direct-response)

Traditional Media

Lee Enterprises, CBS RADIO, Entercom, Gannett, Tegna, Hearst, Clear Channel, COX, Dow Jones, Raycom Media, Gatehouse Media, ABC, digitalfirst, iHeart, NBC, Cumulus

Digital Advertising

R1 Lick, Social Dealer, Google, OfferUp, Letgo, eBay, CarGurus, Edmunds, Autotrader, Cars.com, TrueCar, Autoweb, Car & Driver, Autolist, Trader Interactive, Carzine

Advertising Agencies

Sokal, M, C-4 Analytics, GSM, Stream, Naked Lime, Moore & Scarry, Turnkey, Raycom, Dealer World, Appearance, Strategic Marketing

Advertising Technology

Helix, Appearance, SpinCar, TapClicks, Outsell, Epsilon, Speed Shift Media, DealerX, Dealer Teamwork, V12, AutoLeadStar, eBizAutos, Tech3i, 3birds, AutoSweet, C-4

CONVERSION (converting consumer traffic to sale)

Mystery Shopping

Maritz Research, J.D. Power, Imyst, Intelli Shop, DealerSynergy, Pladoogle

In-Store Training

DealerSynergy, Automotive Dealership Institute, J.D. Power, NADA, CORMOSLEY, NCM, Staker, Kain, Dealer Solutions, David Lewis & Associates, Inc.

RETENTION (retain as service/repeat customer)

Customer Retention Tools

TeamVelocity, DataClover, Ooxtime, iPrecheck, Spireon, Experian, Helix, Affinity, AutoLoop, DealerSocket, elead, Dealerwing, Outsell, automotiveMastermind, AutoAlert, 3birds

SOFTWARE

Social / Reputation Management

Social Dealer, Reputation.com, Snap, DealerRate, SureCritic, ActivEngage, MXS

Dealer Websites

CDK Global, DealerSocket, Dealer.com, eBizAutos, DealerHub, Nabat, FusionZone, Jazel

Merchandising Support

Experian, Unityworks, TruImages, Kcite, BlackWidow, MAX Digital

Dealer Management System (DMS)

Reynolds & Reynolds, Advent, Quorum, Dealertrack, Tekion, Adam, Domineer

Customer Relationship Management (CRM)

DriveCentric, DealerSocket, elead, DealerMine, Affinity, VinSolutions, Dominion, ProMax, Votenze

Key Systems

Key-Box, KeyTrak, True Spot, Matrix, Wynn & Associates, KeyPoint Dealer Services

Vehicle Acquisition / Auctions

ACV, Manheim, Accu-Trade, 700Credit, F&I Technology, Dignifi, P-E-N, F&I Express, VisionMenu, Darwin, DealerScience, RouteOne, Dealertrack, eLend Solutions

F&I Technology

StoneIsle, Dignifi, P-E-N, F&I Express, VisionMenu, Darwin, DealerScience, RouteOne, Dealertrack, eLend Solutions

Digital Retailing

Prodigy, Gubagoo, RoPo, TABRIL, model, autohub, trd Payments, fastlane, MOTOINSIGHT, Gubagoo, TRADEPENDING, DRIVE IT NOW

Dealer Website Engagement

RoPo, TABRIL, model, autohub, trd Payments, fastlane, MOTOINSIGHT, Gubagoo, TRADEPENDING, DRIVE IT NOW

Media Attribution

Semcasting, VistaDash, Helix, AutoID, Experian, Foureyes, Speed Shift Media, el toro, DrivenData

Vehicle Appraisal

Accu-Trade, eAuto Appraise, autohub, TradePending, Black Book

E-Contracting

eOriginal, CDK Global, Dealertrack

Email Handling & Chat

Auto Labs, CarNow, conversica, 360, Matador

Automotive Data

JATO, EVX IMAGES, frogdata, izmocar, EQUIFAX, Experian, CARFAX, Black Book, alg, CCC, autodata, Chrome Data, OFFERLOGIX, Motive Retail, IHS Markit, TransUnion

Inventory Management

Lotz, DealerLink, VAuto, MAX Digital, DealerVault, eBizAutos, TECH, REDLINE, Kcite, dealercue

Process Improvement

PowerDealer, nextup, TRUE SPOT, A2Z, SYNC, DealerDoc, Lotz, Strategic Source, oxio, WerrCloud, frogdata, DealerOps, REVERSE, access, CDC, Credit Bureau Connection, STROLID, TRAWER, esuresale

Phone Call Management

Car Wars, CallRevu, CallSource, Marchex, Calldrip, Who's Calling, Phone Ninjas

Floor Planning

AFS, Westlake, Bank of America, CarBucks, NextCar, Chase, AFS, Bank of America, CarBucks, NextCar, Chase

Remote Service

RepairSmith, SimpleTire, SparkCharge, Spiffy

Vehicle Management

ReconVelocity, LoJack, TrueSpot, Spireon, AR RapidRecon, MDL

Vehicle Transportation

Driver, ACERTUS, SBD, SuperDispatch, CONVOY, REDCAP, SocialAuto, BIZCAR, Doppler

Service & Parts

singlethread, Advisor, DealerFX, Sunbit, RapidRecon, Revolution Parts, 3birds, mykoarma, Dignifi, eAdvisor, Affinity, DealerSocket, Ooxtime, Experian, Pal, truvideo, Synatron, ReconTrac

Workforce Management

DrivingSales, auto, ADP, Hireology

Vehicle Subscription

fair SIXT+, Hertz, mycar, JUST DRIVE, REVOLVE, PASSPORT, LESS, Audi select, Subscribe, CARE BY VOLVO, DriveAway, ACCESS, FreshCar, LMP SUBSCRIPTIONS

Vehicle History

VinAudit, DMVdesk, CARFAX

Registration & Titling

ATC, Dealertrack, DLRdmy, TitleTec, REVIVER, FIVE64, CVA, DLRdmy, TitleTec, REVIVER

Desking

VinSolutions, Dealertrack, elead, ProMax, Bork & Reynolds, DS Dealer Specialties

Inspections

VinSolutions, Dealertrack, elead, ProMax, Bork & Reynolds, DS Dealer Specialties

Vehicle Insurance

Click-Ins, Coverhound, DealerPolicy, Sure, Gabi

Vehicle Imaging

BlackWidow, Click-Ins, MONK, RAIN, UVEYE

Accessories

NSI Group, Velocity Tech Solutions, Reynolds & Reynolds, Interact, Garage, Media

P2P Rentals

cars.com, instamotor, CarGurus, OfferUp, blinker, Swap Motors, Autotrader, RVshare, Rthys, Outdoorsy, TURO, getaround

Connected Car

LYNKD, LoJack, REVIVER, CarIQ, TrueSpot, Spireon

Vehicle Insurance

Click-Ins, Coverhound, DealerPolicy, Sure, Gabi

EV Manufacturers



Charging Infrastructure



Battery Technology



Autonomy



Dealership Digitization



Commercial Vehicle Innovation



Mobility-as-a-Service



SEGMENTS TO WATCH



2021 TRANSACTIONS

»» JUNE 2021 TRANSACTIONS

 Lender Compliance Technologies \$4.15M Series A 	 PocketExpert Acquisition By 	 MotoRefi Raised \$45M 	 Justos Raised \$2.8M 	 TRITIUM SPAC 	 Exeter Acquisition by WARBURG PINCUS	 DRIVEN DATA \$4.5M Series Seed B	 Mister CAR WASH Filed To Go Public	 eDriving Acquisition by 	 wallbox SPAC 
 waabi \$83.5M Series A khosla ventures	 Solid Power Potential Merger 	 Zong Mu \$190M Series D 	 sennder \$80M Series D 	 LOCUS \$50M Series C 	 FLIX mobility \$650M Series G	 Aa Aramisauto IPO	 northvolt \$2.75B Fundraising 	 WAYMO \$2.5B Additional Funding	 trustworthy.ai Acquisition by 
 DEEPMAP Acquisition By 	 HESAI \$300M Series D 	 ELECTRIC ERA \$3M Seed Round 	 motorway \$67.7M Series B 	 WhereIsMyTransport \$14.5 Series A Extension 	 CARRO \$360M Series C SoftBank Vision Fund	 满帮 Full Truck Alliance \$20B IPO	 GoMechanic \$35M Series C TIGERGLOBAL	 buser \$138M Fundraise	 DriveltAway Investment From 
 CRUISE \$5B Line of Credit 	 electriphi Acquisition By 	 KEEP TRUCKIN \$190M Series E G2 VENTURE PARTNERS	 TRACTABLE \$60M Series D INSIGHT PARTNERS GeorgianPartners	 TRED \$3M Fundraising	 kodiak Minority Investment BRIDGESTONE	 mobiletechrx Acquisition By 	 noblr Acquisition by 	Auto Exchange Acquisition By 	 QUANERGY SPAC Merger CITIC CAPITAL 中信資本
 EMBARK SPAC Merger Northern Genesis	 WeRide \$310M Fundraising 	 brumbrum €65M Fundraising QIP	 CABANA \$10M Series A CRAFT GOLDCREST CAPITAL	 Joyride \$3.7M Financing	 IoTecha \$13.2M Financing 	 CREDR \$6.5M Financing 	 lendbuzz \$60M Series C WELLINGTON MANAGEMENT	 ELECTRA \$3.6M Seed Round LIFT GIVING IDEAS THE HIGHEST VALUE	 locoNav \$37M Series B QUIET CAPITAL

Confidential materials provided by Automotive Ventures, LLC.

>>> 2021 TRANSACTIONS: JAN - MAR

Jan 2021

Feb 2021

Mar 2021

CRESTA Investment by PORSCHE VENTURES	Faraday Future \$3.4b SPAC	autozen \$4.2m Financing	AUTO 1 GROUP \$1.2b IPO	DIESEL MINNESOTA Acquired by DICKINSON FLEET SERVICES	pony.ai \$100m Series C Extension	microvast \$3b SPAC	otonomo \$1.4b SPAC	BATON \$10.5m Series A 8VC	PRODIGY THE FUTURE OF AUTOMOTIVE RETAIL acquired by Upstart	CAZOO \$7b SPAC	Lightyear ∞ SA48m Financing
FREEWIRE \$50m Series C RIVER STONE	carlotz SPAC Acamar Partners	EVgo FAST CHARGING \$2.6b SPAC	PROTERRA \$1.6b SPAC ARCLIGHT CLEAN TRANSITION	LUCID \$12b SPAC CHURCHILL CAPITAL IV	volta \$2b SPAC Tortoise Acquisition Corp. II	gettaCar \$25m Financing	metropolis \$41m Financing	CH! Chargerhelp! \$2.75m financing TRUCKS	SERVICE MY CAR \$10m Seed Bahwan IT	ACV \$414m IPO	ParkMobile acquired by easypark
UV EYE Investment by HYUNDAI	FUSE AUTOTECH Financing PICO / partners	CRUISE \$2.0b Investment Microsoft	R3E \$3b-\$4b SPAC	nextmv \$8.0m Series A FIRSTMARK CAPITAL	HYZON \$2.7b SPAC DCRB+	3L Acquisition by Sonic Automotive	LOT VANTAGE Acquisition DIGITAL AIR STRIKE	CARPAY \$9.9m Series A AUTOTECH VENTURES	digitalmotors. \$10m Series A DN Capital	ZEGO \$150m Series C DST GLOBAL	BARAJA \$31m Series B
CameraMatics €4.0m Financing	TACTILE MOBILITY Investment by nexteer AUTOMOTIVE	loop \$3.25m Seed freestyle.vc	RIVIAN \$2.65b Financing T.RowePrice	RECOGNI \$48.9m Funding WRVI CAPITAL	AKASOL acquired by BorgWarner	carbiz Acquisition by Sonic Automotive	BestRide Acquisition DIGITAL AIR STRIKE	REFRACTION AI \$4.2m Seed	Lo/Jack acquired by Spireon	remix Acquisition by VIA	optibus \$107m Series C
BlueDriver Acquired by asTech	BAYIQ Acquired by AutoVitals	oxbotica \$47m Series B bp ventures	KEEPS Investment by SSM PARTNERS	AEYE \$2b SPAC CANTOR Pitzgerald	swift NAVIGATION \$50m Series C NEA	DEALERPOLICY \$30m Series B	momenta \$500m Funding	CUBERG acquired by northvolt	flexclub Drive your way \$5m Financing Kindred VENTURES	CLUTCH \$60m Financing Canaan	
DrivenBrands IPO	LUXOR Acquired by COX AUTOMOTIVE	FYUSION Acquired by COX AUTOMOTIVE	TRADEPENDING Recapitalization by CAPSTREET	PlusAi \$200m Series B	CCC \$6.5b SPAC	MIDWEST acquired by AKG	CarCapital \$8.8m Series A FM CAPITAL	DEALER-FX \$200m acquisition Snap-on	RED Diagnostics Acquired by asTech		
VERUSEN Series A BMW i Ventures	kyte. \$9.0m Investment DN Capital	SocialAuto \$1.5m Seed Overline	SBD SWEETIE BOY DELIVERS Investment by CIT GAP FUNDS	XOS \$2.0b SPAC NextGer Acquisition Corporation	adasThink Acquisition by asTech	voyage acquired by CRUISE	RAVIN \$15m Series A KAR GLOBAL	PERRONE ROBOTICS \$10m funding CAPSTONE holdings			
SILA NANOTECHNOLOGIES \$590m Series F BMW GROUP DAIMLER	AEVA \$200m Financing	MotoRefi \$10m Financing MODERNE VENTURES	ENEVATE \$81m Series E Fidelity	SmartHop \$12m Series A USV	SQUARE ROOT \$25m Acquisition CDK Global	II \$2m Funding	RUMBLE ON Combines with RIPENOW	DONLEN \$891m Acquisition ATHENE HOLDING			

>>> 2021 TRANSACTIONS: APR - JUN

Apr 2021

May 2021





































































Jun 2021

ottopia \$9m Funding HYUNDAI	SES \$139m Investment GM	Jerry \$28B Series B GOODWATER CAPITAL	TRITIUM \$1.2b SPAC DCRC+	irp systems \$31m Series C	Lender Compliance Technologies \$4.15M Series A AUTOMOTIVE	WeRide \$310M Fundraising YUTONG	TRACTABLE \$60M Series D INSIGHT PARTNERS GeorgianPartners	CARRO \$360M Series C SoftBank Vision Fund	Mister CAR WASH Filed To Go Public	buser \$138M Fundraise
CRUISE \$2.75b Funding Walmart	KAVAK.COM \$485m Funding	Pulsar AI Acquired By SPINCAR	PDM AUTOMOTIVE \$4m Fundraising FUSE	wejo \$1b SPAC VIRTUOSO	Woabi \$83.5M Series A khosla ventures	locoNav \$37M Series B QUIET CAPITAL	CABANA \$10M Series A CRAFT GOLDCREST CAPITAL	kodiak Investment by BRIDGESTONE	northvolt \$2.75B Fundraising FÖRSTA AP-FONDEN OMERS	Auto Exchange Acquisition by AA
nuvo cargo \$12m Series A QED INVESTORS	lyft Level 5 \$550m Acquisition by woven planet	E/NRIDE \$110m Series B	OCULII \$55m Series B CATAPULT CONDUCTIVE	InnoFusion \$64m Series B TEMASEK	DEEPMAP Acquisition By NVIDIA	Zong Mu \$190M Series D xiaomi	QUANERGY SPAC Merger CITIC CAPITAL 中信資本	IoTecha \$13.2M Financing bp ventures	GoMechanic \$35M Series C TIGERGLOBAL	ELECTRA \$3.6M Seed Round LIFT
BlaBlaCar \$115m Financing UNU GLOBAL	polestar \$550m Funding	WeaveGrid \$15m Series A	Auction Frontier Acquisition by KAR GLOBAL	Solid Power \$130m Series B	CRUISE \$5B Line of Credit gm FINANCIAL	ELECTRIC ERA \$3M Seed Round REMUS CAPITAL	LOCUS \$50M Series C Qualcomm ventures	DRIVEN DATA \$4.5M Series Seed B	noblr Acquisition by USAA	wallbox SPAC KENSINGTON
INNOVIZ TECHNOLOGIES IPO	IDELIC \$20m Funding HIGHLAND AXA CAPITAL PARTNERS Venture Partners	ROCSYS \$6.3m Fundraising FORWARDone Advancing your innovations	Affectiva Acquired by smart eye	TWAICE \$26m Series B ENERGIZE VENTURES	EMBARK SPAC Merger Northern Genesis	KEEP TRUCKIN \$190M Series E G2 VENTURE PARTNERS	Where Is My Transport \$14.5 Series A Ext. NASPERS Cathay Atrinvest Innovation Fund	Aramis auto IPO	lendbuzz \$60M Series C WELLINGTON MANAGEMENT	DriveltAway Investment From Knightsgate
EASY MILE \$66m Series B SEARCHLIGHT	WaveSense \$15m Fundraising RHAPSODY IMPOSSIBLE VENTURES	WeRide Series C Funding 文远知行	MotoRefi \$45m financing Goldman Sachs	VIRTUO \$96m Funding AXA Venture Partners	PocketExpert Acquisition By mykaarma	brumbrum €65M Fundraising DIP	TRED \$3M Fundraising	满帮 Full Truck Alliance \$20B IPO	ROADSTER \$336M Acquisition by CDKGlobal	
edmunds \$404m Acquisition CARMAX	AxleHire \$20m Series B AJAX STRATEGIES	AUTOPAY Merger rategenius	DealerSocket Acquisition by SoLera	Omnitracs Acquisition by SoLera	Solid Power Potential Merger DCRC+	Justos Raised \$2.8M Kaszek VENTURES	Joyride \$3.7M Financing	mobiletechrx Acquisition by asTech	eDriving Acquisition by SoLera	
tu simple \$1.35b IPO	oxbotica \$13.8m Investment ocado GROUP	Passport SIXTH STREET \$90m Funding GROWTH	monoDrive Acquisition By nl	cinch £1bn Fundraising CONSTELLATION AUTOMOTIVE GROUP	HESAI \$300M Series D ventures	sennder \$80M Series D BAILLIE GIFFORD	Exeter Acquisition by WARBURG PINCUS	CREDR \$6.5M Financing YAMAHA	WAYMO \$2.5B Funding	
CarCapital \$20m Credit Line JP	CarTrade.com Filed for IPO	carsales Acquiring 49% of TRADER INTERACTIVE	mileauto \$10.3m Seed Round	electriphi Acquisition by Ford	motorway \$67.7M Series B Index Ventures	FLixmobility \$650M Series G	Gubagoo Acquisition by Reynolds & Reynolds	trustworthy ai Acquisition by WAYMO		















































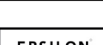

























>>> 2020 TRANSACTIONS

 acquired by Adevinta	 acquired by J.D. POWER	 \$300m Financing	 \$3.0b Financing	 \$14m Financing	 \$20m Financing	 \$827m SPAC Acamar Partners	 acquired by KAR GLOBAL	 \$23m Financing	 \$1.45b sale to EP FRANCIS & TAYLOR PARTNERS	 \$260m sale to DealerSocket
 Invests in Circular	 acquired by J.D. POWER	 acquired by HEARST AUTOS	 \$25m Financing	 \$100m Financing	 Public Offering (SPAC)	 Acquisition CATTERTON	 Public Offering (SPAC)	 service simplified. acquired by Protective	 \$44.0b sale to S&P Global	 \$45m Series C FORTROSS VENTURES
 \$2.5b Financing	 Financing	 \$50m Financing	 acquired by MAG McCONKEY AUCTION GROUP	 acquired by CarGurus	 \$1.5m Financing	 \$724.4m IPO	 acquired by NATIONAL AUTO CARE	 \$150m Financing Advent International GLOBAL PRIVATE EQUITY	 \$875m sale to ATHENE	 POWERING OUT OF STATE TITLE & REGISTRATION Investment PCF polarispartners
 acquired by ASBURY AUTOMOTIVE GROUP	 Public Offering (SPAC)	 Public Offering (SPAC)	 Acquired by MAG McCONKEY AUCTION GROUP	 acquired by CAZOO	 \$311m Financing	 \$100m+ Financing KKR Tritium	 acquired by NATIONAL AUTO CARE	 \$55m Financing Durable CAPITAL PARTNERS	 \$1.3b SPAC C & CO INSU II	 \$5m Seed Round VOLVO NEXTGEAR VENTURES
 \$50m Financing GM SAIC	 Public Offering (SPAC)	 Public Offering (SPAC)	 Offers 13.3m Class A stock	 Taken Private by Tencent 腾讯	 \$7.0m Financing	 \$1.33b SPAC RMG	 acquired by auto experience	 \$140m Financing	 \$7m Financing FM CAPITAL	 \$823m SPAC GigCapital
 IPO	 Trust the Asset. Trust the Transaction.™ €231m Acquisition Wolters Kluwer	 \$7m Financing	 Offers 5.0m Class A stock	 \$1.375m Financing	 \$20m Financing	 acquired by LMP AUTOMOTIVE	 Financing PORSCHE VENTURES	 acquired by Reynolds & Reynolds	 \$7m Financing OurCrowd	 \$5m Financing THE ENGINE Built by MIT
 \$2.1b SPAC INTERPRIVATE	 \$267m Financing ONTARIO TEACHERS' PENSION PLAN	 \$6.2m Financing	 \$15m Series A HONDA	 Public via SPAC	 Acquired by CUNA MUTUAL GROUP	 acquired by Uber	 \$1b+ SPAC FORUM MERGER III CORPORATION	 \$25m Financing WITTINGTON VENTURES	 \$6m Financing	 \$45m Financing
 AUTO GROUP \$5m Financing POWERBAND SOLUTIONS	 \$24.5m Acquisition KINGWAY FINANCIAL	 \$50m Financing T.RowePrice INVEST WITH CONFIDENCE	 StoneEagle F&I Majority Investment BV Battery Ventures	 \$20m Financing Kayne Anderson Capital Advisors, L.P.	 \$13m Financing OX	 €20 million Series A	 \$5.4b+ SPAC CIG MERGES CORP	 \$275m Acquisition CarGurus	 \$15m Series A INSIGHT PARTNERS	 \$3.5m Financing Wireframe VENTURES
 \$120m Acquisition vroom	 \$5.0m Financing redfortcapital	 \$23m Financing VENTURES	 \$1.9b SPAC COLDHARE	 \$20.5m Series A CAFFEINATED CAPITAL	 \$1.0b+ SPAC	 \$350m Financing VectoIQ	 \$700k Financing avis budget group	 Investment JMI EQUITY	 Plug into your future \$1.4b SPAC TPG FROM REVENUE FINANCE	 \$8m CAD Seed Round Threshold

>>> MOST IMPORTANT AUTO TECH DEALS BY YEAR: 2012-2016

2012	2013	2014	2015	2016
 BY  PRICE PAID: \$1.1B EBITDA MULTIPLE: 9.9x	 BY  PRICE PAID: \$25M REVENUE MULTIPLE: 0.8x	 BY  PRICE PAID: \$1.1B REVENUE MULTIPLE: 12.0x	 BY  PRICE PAID: \$460M REVENUE MULTIPLE: 6.5x	 BY  PRICE PAID: \$15M REVENUE MULTIPLE: N/A
 BY  PRICE PAID: \$10.0M REVENUE MULTIPLE: NA	 BY  PRICE PAID: \$1.4B EBITDA MULTIPLE: 14.0x	 BY  IPO Valuation: \$1.3B REVENUE MULTIPLE: NA	 BY  PRICE PAID: \$165M EBITDA MULTIPLE: 5.9x	 BY  PRICE PAID: \$5.9B REVENUE MULTIPLE: N/A
 BY  PRICE PAID: \$351M EBITDA MULTIPLE: 10.0x	 BY  PRICE PAID: \$1.1B EBITDA MULTIPLE: 11.5x	 BY  PRICE PAID: \$377.5M REVENUE MULTIPLE: 7.6x	 BY  PRICE PAID: \$4.6B REVENUE MULTIPLE: 4.4x	 BY  PRICE PAID: \$1.2B EBITDA MULTIPLE: 15.0x
 BY  PRICE PAID: NA REVENUE MULTIPLE: NA	 BY  PRICE PAID: \$974M REVENUE MULTIPLE: 4.2x	 BY  PRICE PAID: \$2.5B EBITDA MULTIPLE: 15.9x	 BY  PRICE PAID: \$6.5B EBITDA MULTIPLE: 14.2x	 BY  PRICE PAID: \$1.1B EBITDA MULTIPLE: 12.9x
 BY  PRICE PAID: NA REVENUE MULTIPLE: NA	 BY  PRICE PAID: \$550M REVENUE MULTIPLE: 15.0x	 BY  PRICE PAID: \$325M REVENUE MULTIPLE: 6.0x	 BY  PRICE PAID: \$142.5M EBITDA MULTIPLE: 11.9x	 BY  PRICE PAID: \$156M EBITDA MULTIPLE: 4.3x
 BY  PRICE PAID: \$49M REVENUE MULTIPLE: N/A	 BY  PRICE PAID: \$53M REVENUE MULTIPLE: N/A	 BY  PRICE PAID: \$193M EBITDA MULTIPLE: 17.5x	 BY  PRICE PAID: \$125M REVENUE MULTIPLE: 1.8x	 BY  PRICE PAID: N/A REVENUE MULTIPLE: N/A
	 BY  PRICE PAID: \$30M REVENUE MULTIPLE: 10.0x	 BY  PRICE PAID: \$65M REVENUE MULTIPLE: 3.6x	 BY  PRICE PAID: \$55M REVENUE MULTIPLE: 1.6x	 BY  PRICE PAID: \$35M REVENUE MULTIPLE: N/A

>>> MOST IMPORTANT AUTO TECH DEALS BY YEAR: 2017-2021

2017	2018	2019	2020	2021
 BY  PRICE PAID: \$125M REVENUE MULTIPLE: N/A	 BY  INVESTED: \$180M (minority investment) REVENUE MULTIPLE: N/A	 BY  INVESTED: \$500M REVENUE MULTIPLE: N/A	 BY  PRICE PAID: \$50M (14% Stake) EBITDA MULTIPLE: 10.0x	 BY  IPO VALUATION: \$4.8B REVENUE MULTIPLE: 23.1x
 BY  PRICE PAID: \$43.0M REVENUE MULTIPLE: N/A	 BY  PRICE PAID: \$22M REVENUE MULTIPLE: 10.0x	 BY  PRICE PAID: \$720M REVENUE MULTIPLE: N/A	 BY  PRICE PAID: \$263M REVENUE MULTIPLE: 7.4x	  IPO VALUATION: \$827M REVENUE MULTIPLE: 7.5x
  IPO VALUATION: \$2.0B REVENUE MULTIPLE: 2.9x	 BY  PRICE PAID: \$525M REVENUE MULTIPLE: 3.5x	  BY  PRICE PAID: \$2.2B REVENUE MULTIPLE: N/A	 BY  PRICE PAID: \$155M REVENUE MULTIPLE: 7.8x	 BY  PRICE PAID: \$336M REVENUE MULTIPLE: 12x
 BY  PRICE PAID: \$435M* REVENUE MULTIPLE: 8.7x	 BY  PRICE PAID: N/A REVENUE MULTIPLE: N/A	 BY  PRICE PAID: \$1.9B EBITDA MULTIPLE: 16.5x	 BY  \$275m Acquisition PRICE PAID: \$275M (51% stake) REVENUE MULTIPLE: N/A	 BY  IPO VALUATION: \$7.0B REVENUE MULTIPLE: 11.7x
 BY   PRICE PAID: \$680M REVENUE MULTIPLE: 5.0x	 BY  INVESTED: \$385M EBITDA MULTIPLE: N/A	 BY  PRICE PAID: \$4.4B EBITDA MULTIPLE: N/A	  IPO VALUATION: \$730M REVENUE MULTIPLE: 3.8x	 BY  IPO VALUATION: PENDING EBITDA MULTIPLE: N/A
  IPO VALUATION: \$1.95B EBITDA MULTIPLE: 8.8x	 BY  PRICE PAID: \$50M (7% Stake) REVENUE MULTIPLE: N/A	 BY  PRICE PAID: €2.9B REVENUE MULTIPLE: N/A	  IPO VALUATION: \$2.5B REVENUE MULTIPLE: 2.1x	  IPO VALUATION: PENDING REVENUE MULTIPLE: 30.4x
  IPO VALUATION: \$3.0B REVENUE MULTIPLE: 15.2x	 BY  PRICE PAID: \$205M REVENUE MULTIPLE: 10.0x	 BY  PRICE PAID: \$1.2B EBITDA MULTIPLE: 16.5x	 BY  \$120m Acquisition PRICE PAID: \$120M REVENUE MULTIPLE: 6.0x	 BY  PRICE PAID: \$404M EBITDA MULTIPLE: 11.5x

*IHS Markit acquired approximately 78 percent of automotiveMastermind for a purchase price of approximately \$392 million.

The background image shows the front of a classic car, possibly a Ford Mustang, with a custom engine featuring three carburetors visible through the open hood. The car is dark-colored, and the image is overlaid with a large, semi-transparent red diagonal shape. The text "KEY TRANSACTION OVERVIEW" is written in a bold, white, italicized sans-serif font across the center of the red shape.

KEY TRANSACTION OVERVIEW

>>> DEAL DETAILS: ROADSTER & CDK GLOBAL

OVERVIEW OF TRANSACTION

- CDK Global, the largest DMS company (over 9k dealerships) sends a strategic signal with this large acquisition.
- CDK recently divested International operations (“Keyloop”) for \$1.45 billion, as well as website and digital marketing business (“Sincro”) -- which has built a “war chest” to make acquisitions.
- Sends a clear message that CDK doesn’t value owning the website as much as owning the Digital Retailing tool.

SIGNIFICANCE TO INDUSTRY

- The Digital Retailing landscape has become competitive, with many stand-alone solutions; large players like Cox and Cars.com made their bets long ago.
- The whole segment was buoyed through COVID: every dealer needed a solution to sell vehicles online; the “Carvana Effect” has also provided dealers a sense of urgency to get in the game.
- The combination of the largest DMS (CDK), largest CRM (ELEAD) and largest Digital Retailing provider (Roadster) in theory would enable elegant integrations between all three technologies – to help convince dealers to choose the CDK suite of solutions.



Acquires

ROADSTER

All-cash deal of \$360 million

>>> DEAL DETAILS: GUBAGOO & REYNOLDS

OVERVIEW OF TRANSACTION

- Reynolds & Reynolds, the second largest DMS company (after CDK) has acquired Chat and Digital Retailing company Gubagoo for an undisclosed amount.
- Gubagoo claims to have “6,500 dealerships worldwide”, but many of them will be on the lower-priced chat product.

SIGNIFICANCE TO INDUSTRY

- Gubagoo evolved from a simple Chat provider into Digital Retailing with their “Virtual Retailing” product, built on the back of Chat.
- They notably won Asbury Automotive’s business (called “Clicklane”) in December 2020.
- Reynolds has been a serial acquirer over the years, including many products tucked under the Naked Lime brand, Callbright, GoMoto, The Appraisal Lane, ReconTRAC, AddOnAuto, OnLineDrive, ContactAdvantage, ReverseRisk, TradeMotion, Auto Data Direct and others.
- Like CDK, Reynolds likely aims to bundle the DMS and Digital Retailing tools to create an integrated “Better Together” solution for their dealers. But CDK should have a dominant strategic position, given their market-leading CRM product ELEAD.



Acquires

Gubagoo

Undisclosed Valuation

A rear three-quarter view of a yellow Lamborghini Countach. The car features prominent black air vents on the rear deck and a black rear spoiler. The word 'Lamborghini' is visible on the left side of the rear fender, and 'countach' is on the right. A license plate with 'IYP' and '3M' is partially visible. A large, semi-transparent red diagonal shape overlays the lower half of the image.

COMPANIES TO WATCH

>>> JULY COMPANIES TO WATCH



<https://wrapmate.com>

Digital platform for consumers to get their graphic projects designed, printed and installed. Customers create and visualize a unique vehicle graphic, and Wrapmate supports a network of certified professionals known as Wrapmate Pros, providing them with vehicle wrap customers and tools to manage their projects.



<https://blyncsy.com>

Crowd-sourced intelligence on the condition of roads and movement of cars, based on collecting data from in-car cameras. As a result, the department of transport can efficiently both identify traffic patterns as well as where roads need repair.



<https://quantum5.ai>

Shifts focus to a lifetime value model of the customer versus the transactional model of the past. AI-driven analysis continues to support and improve dealership employee performance results through personalized delivery skills training. Provides an advocacy program that builds lifetime value.



<https://lifesaver-app.com>

Helps companies prevent employee phone use while driving by automatically detecting drivers and blocking cell phones, with no beacons or dongles. Reduces distracted driving and provides a connected driver platform using only the mobile device. LifeSaver is a great fit for auto insurers and fleet operators looking to reduce their claims and exposure.



<https://www.dollaride.com>

Provides an innovative technology platform that connects people living in transit deserts to private ride-sharing networks. Dollaride is the glue that connects operators, drivers, and passengers through the first digital platform for informal transit. Dollaride's service provides ridesharing technology to drivers and passengers who enjoy commuter van service in NYC.



<https://informed.ig>

Helps banks and government with turn-key robotic process automation capable of performing real-time income, asset, identity, residence, and insurance verification tasks. Reduces manual costs associated with reviewing documents, catches fraud, and cuts down on errors when originating loans, opening accounts, and administering benefit programs.



<https://motorq.com>





































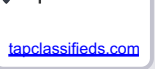










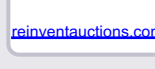

Cloud-based connected car data and analytics platform. Seamlessly ingests, normalizes and analyzes data from both OEM-embedded systems and aftermarket telematics, enabling customers to make better decisions. Has partnered with seven OEMs to securely access vehicle data for its customers, including many of the top 300 fleets and top 20 global fleet management companies.



<https://www.griiip.com>

Griiip makes Motorsports more accessible and affordable, by providing new ways to engage with racing. Their digital racing media platform - RAMP, changes the way users engage with Motorsport.

>>> 2021 COMPANIES TO WATCH

JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
 dealerwing.com	 aetautomotive.com	 fixedopsdigital.com	 carpay.com	 friendemic.com	 nubrades.com	 wrapmate.com	?	?	?	?	?
 nemodata.ai	 zipdeal.com	 autoap.com	 autoapr.com	 dealertrades.net	 carmaproject.com	 blynCSY.com	?	?	?	?	?
 parkmyfleet.com	 robotire.com	 five64.com	 installernet.com	 crispify.io	 sfara.com	 quantum5.ai	?	?	?	?	?
 traverconnect.com	 sparkcharge.io	 pureinfluencer.com	 dealerx.com	 ampup.io	 spiffit.com	 lifesaver-app.com	?	?	?	?	?
 tecobi.com	 carcapital.com	 govintel.com	 rapidrecon.com	 calroadassolutions.com	 widewail.com	 dollaride.com	?	?	?	?	?
 strolid.com	 fuseautotech.com	 recallrabbit.com	 tapclassifieds.com	 getcarbly.com	 karus.ai	 informed.ig	?	?	?	?	?
 truvideo.com	 xciteauto.com			 bluespace.ai	 tractable.ai	 motorq.com	?	?	?	?	?
 monkvision.ai	 click-ins.com			 gocarig.com	 reinventauctions.com	 griip.com	?	?	?	?	?

>>> 2020 COMPANIES TO WATCH



www.autohub.io



www.adventresources.com



www.goquickride.com



www.dealerpolicy.com



www.gettacar.com



<https://360converge.com>



www.suresale.com



www.fluency.inc



<https://square-root.com>



<https://autotitling.com>



www.truespot.com



www.reviver.com



www.tscpo.com



www.worktrucksolutions.com



<https://matador.ai>



www.integratedauctionsolutions.com



<https://get.fixdapp.com>



www.autofi.com



www.driven-data.com



www.partsedge.com



www.vinaudit.com



www.spireon.com



www.dealerdocx.com



www.warrcloud.com



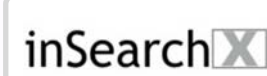
www.dignifi.com



www.darwinautomotive.com



www.a2zsync.com



www.insearchx.com



www.lotpop.com



<http://wheelstvnetwork.com>



<https://zerosum.ai>



<https://dataclover.com>



www.privacy4cars.com



www.digitalmotors.com



<https://astech.com>



www.cbautogroupinc.com



www.boostacquisition.com



www.oneauctionview.com



<https://runbuggy.com>



www.revolutionparts.com



www.generationsdigital.com



<https://getprodigy.com>



www.getspiffy.com



www.blackwidowimaging.com



<https://acertusdelivers.com>



www.winfooz.com



www.caroffer.com



<https://drivecentric.com>



www.carletoninc.com



www.edealerdirect.com



<https://pave.bot>



www.insigniagroup.com



<https://curbside.ai>



www.ravin.ai



<https://understoryweather.com>



www.autoleadstar.com



www.carwave.com



<https://offerlogix.com>



www.motiveretail.com



www.blinker.com



<https://evnusa.com>



www.socialautotransport.com

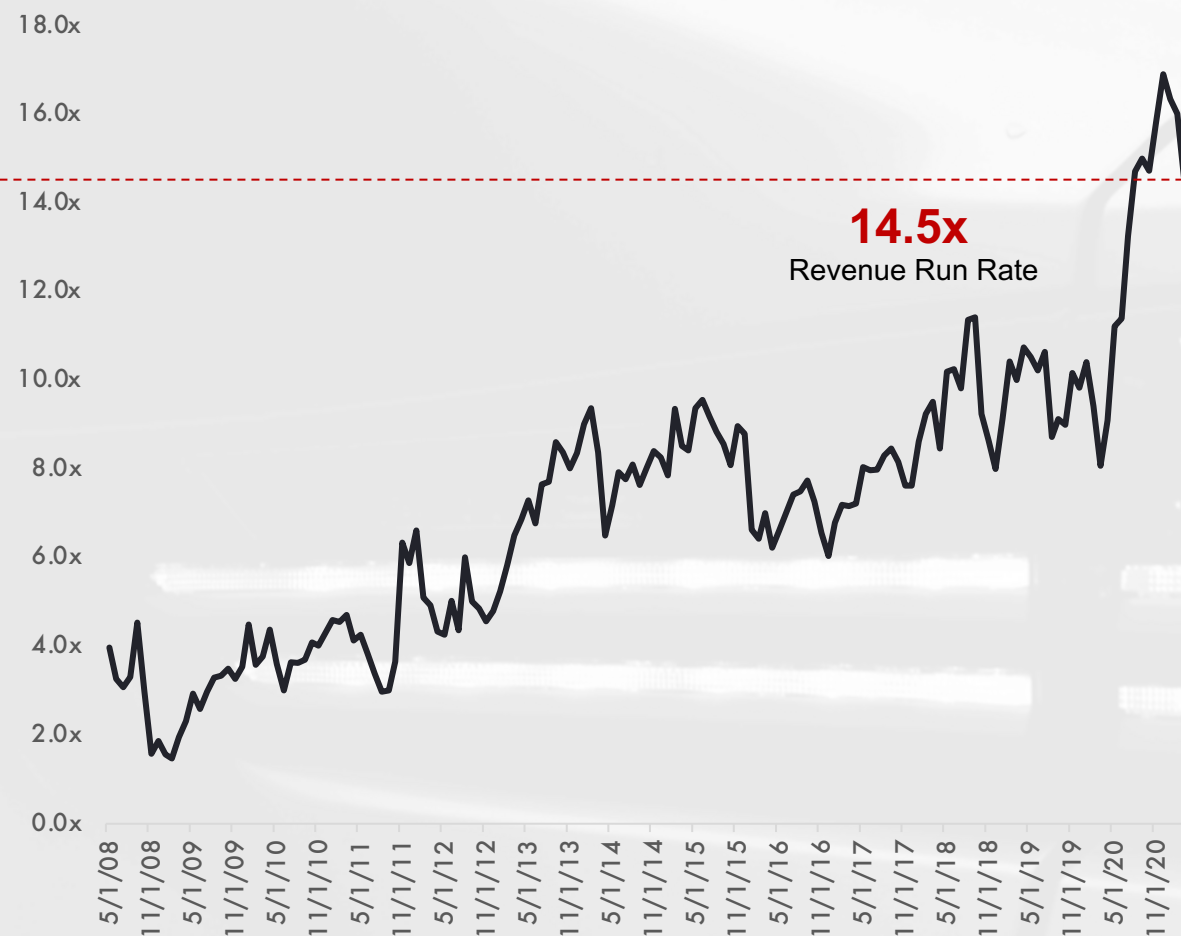
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COMPANY VALUATIONS

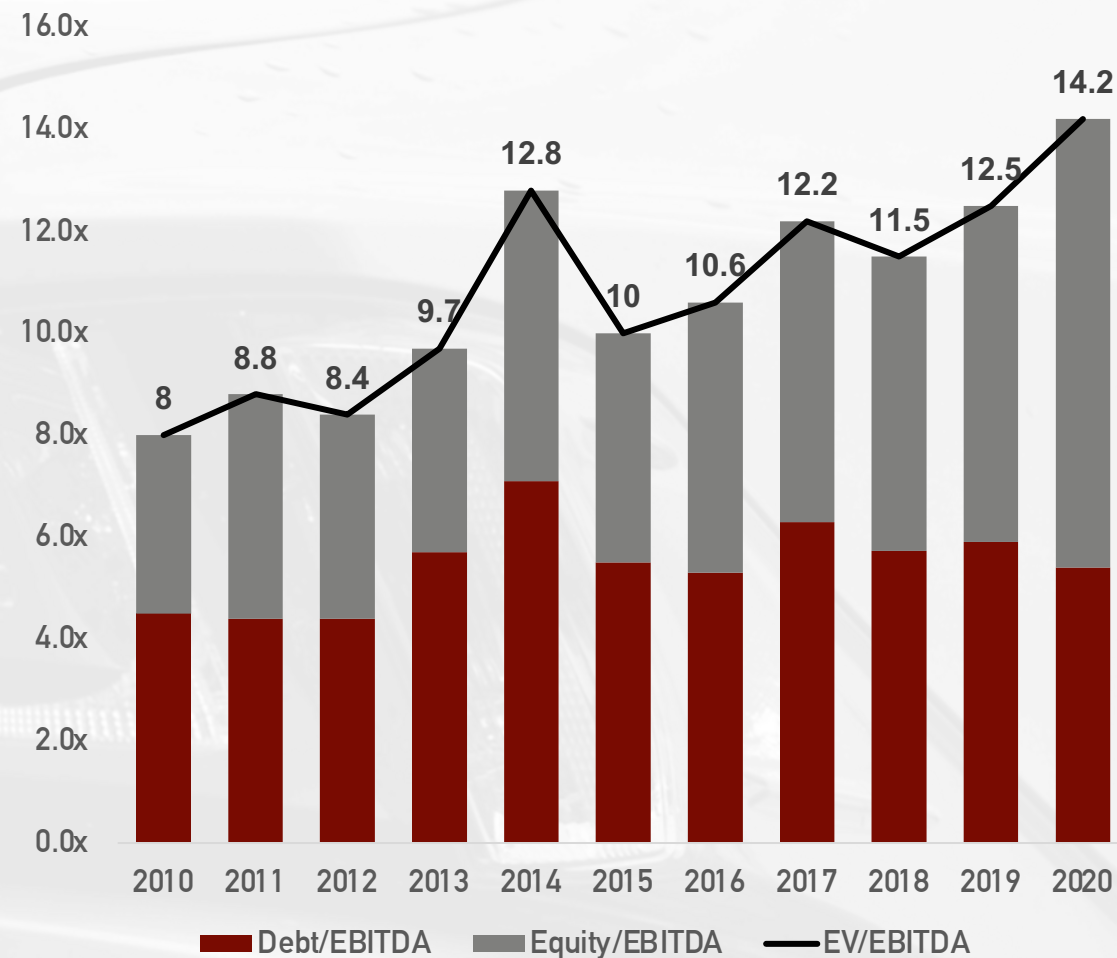
PUBLIC MARKET SAAS AND PE BUYOUT MULTIPLES

SaaS Capital Public Index



Source: The SaaS Capital Index

Median PE Buyout EV/EBITDA multiples



Source: PitchBook

>>> AUTOMOTIVE TECHNOLOGY TRANSACTION MULTIPLES

Business Model	Definition	Revenue Multiple
Pure SaaS	Uses software to provide customers with a service. Creates, develops, hosts, and updates the product. Has access to a global market and can scale without increasing product delivery costs.	10.0x+
Tech-Enabled Services	Brings new or innovative user-experiences using existing technologies to the market. Consumes and/or creates technology (physical infrastructure, hardware or software) designed and configured into a solution delivered to an end user customer.	3.0x-5.0x
Pure Services	A business that generates income by providing services instead of selling physical products.	1.0x-2.0x

Multiples higher for companies that have:

1. Predictable, recurring revenue
2. Low churn
3. High gross margins
4. High growth rates
5. High annual revenue growth
6. Strong upsell opportunities

A black and white photograph of the front of a classic 1969 Ford Mustang. The car features dual round headlights, a chrome bumper, and a 'coda' badge on the grille. The license plate is a Minnesota plate that reads 'RIP' and '10,000 lake'. The car is parked on a cobblestone street.

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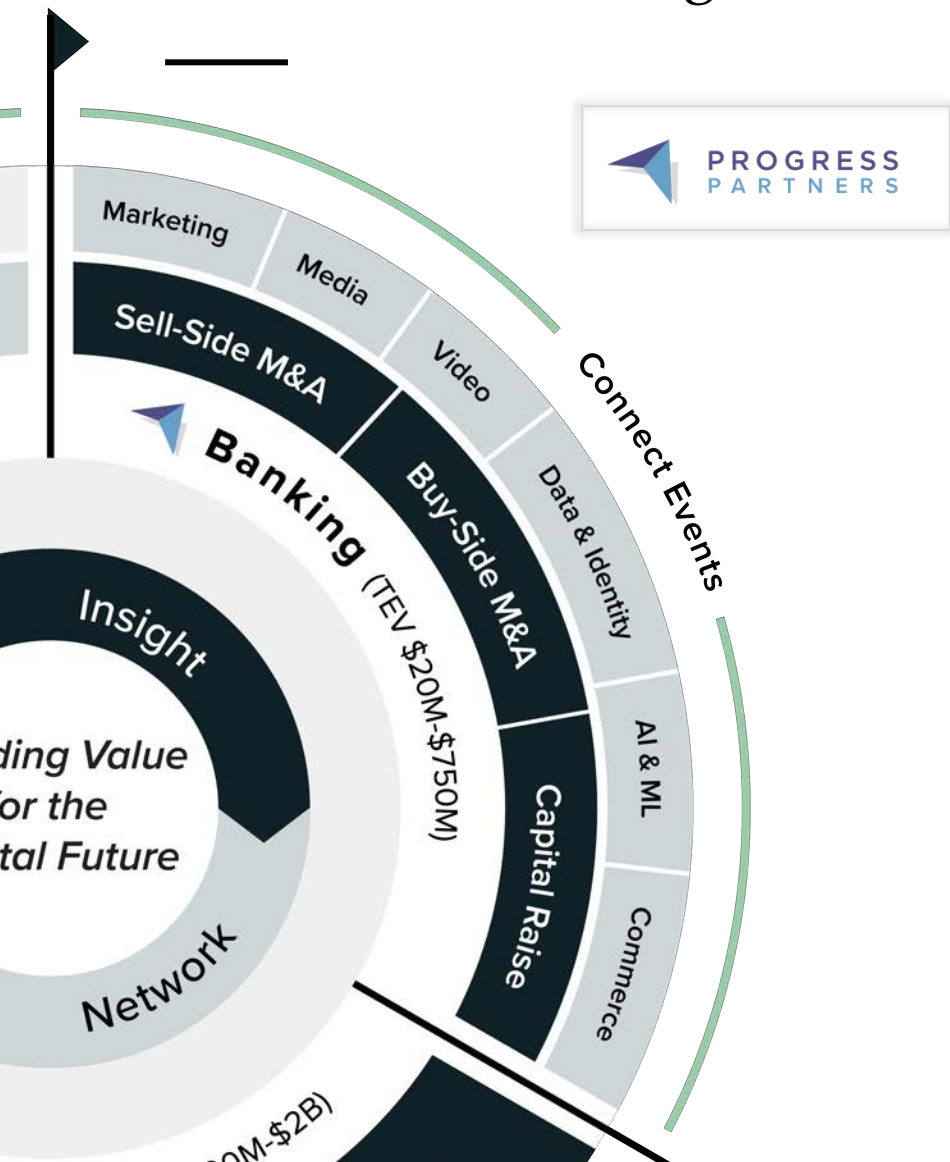
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Steve Greenfield | *Managing Director*

- 15+ years in the automotive technology space
- CEO/Founder at Automotive Ventures
- Fmr. SVP Strategy & Business Development at TrueCar
- Fmr. VP of Business Development at AutoTrader.com

AIM GROUP DIGITAL RETAILING REPORT

FREE TO DOWNLOAD

WE LOOK AT:

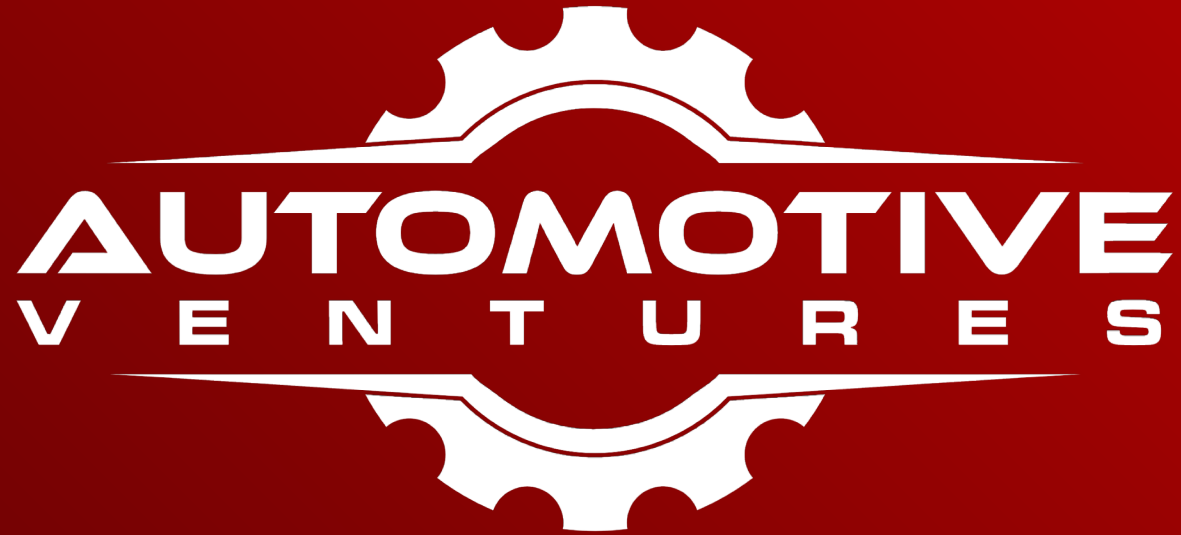
- How the pandemic accelerated adoption
- Its impact on dealers, OEMs, marketplaces and vendors
- How big it will grow, how fast, and who's doing it now
- The report includes nearly 100 charts and graphics, with:
- Five case studies of auto dealers offering ecommerce
- Profiles of five vendors providing the back-end tools
- A directory of more than 50 vendors globally
- A look at international e-commerce efforts in automotive
- Details about Amazon, the potential "wild card" in car sales



Digital retailing in automotive sales

October 2020

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