



APRIL 2009 - INVESTMENT NEWS

Slicethepie scores \$1.4 million in new funding. Despite cautions investment activity in the music industry, the unique web A&R platform and artist funding enabler **Slicethepie** has secured another \$1.4 million in equity from unrevealed private investors. For the next 14 months, the money will be used for marketing and the launch of their new artist analysis tool **SoundOut**.

Paris-based TVtrip.com raises \$9 million in Series B funding from its original VC investors Balderton Capital, Partech International and new investor AGF Private Equity. **TVtrip.com** has the largest database of professionally filmed and unbiased hotel videos in the world, currently covering more than 3,000 hotels in over 160 destinations. The website is a video selection tool which helps travelers choose their hotel of preference.

Taptu, the pure-play mobile search engine, secured GBP 6.45 million (\$9.5) in Series B funding from its existing investors 3i and Sofinnova investments. At the same time, Taptu appointed Andreas Bernstrom to the position of Chief Operating Officer (COO).

Burda Digital Ventures leads investment rounds in Berlin-based **Escapio** and **TripsByTips**, making the holding company of Hubert Burda Media and the Canadian company w media ventures substantial investors. The actual amount invested remains undisclosed. **Escapio** (<http://en.escapio.com>) is a booking site for exceptional, handpicked hotels. The platform **TripsByTips** (<http://www.tripsbytips.de>) is an online travel guide which lets travelers recommend hotels to the site's community. The network's members have published over 40,000 entries so far. Burda Digital Ventures and w media ventures are investing in TripsByTips as part of second round financing. The investment strategy allows the tourism segments of Escapio and TripsByTips to be closely interlinked.

Glam Media lands \$10 million in fifth round investment for its Japanese and German units. The German funds come from investor Hubert Burda Media for a joint venture with Glam Media in Germany. The company did not disclose how the proceeds will be split between its German and Japanese operations. **Glam Deutschland** will use the new funds to expand its services with innovations like **Glam TV**, the online network for men called **Brash**, and the 'Eco' channel for the lifestyles of health and sustainability (Lohas) target group. The expansion will make the platform more attractive to publishers and brand clients.

Quantica SGR invests in Banzai Group to drive and internationally promote the growth of the two Italian Web 2.0 initiatives: **Liquida** and **Yourank**. The venture promotes an alternative to the market dominance of English language/anglo- culture related content search.

Liquida (www.liquida.it) is basically a search engine and a content multiplier for ranking user-generated cultural content. It also complements traditional media in the blogosphere. It further combines tagged BLOGs, news and videos for SEO of user related interests.

YouRank (www.yourank.it) is currently being developed. It will be a bookmarking instrument for storing and organizing user searches and ranking the most popular sites.

MARKET NEWS

A Cautious and Steady Market at MIPTV 2009 in Cannes

The yearly MIPTV Event in Cannes is the international market for financing, co-producing, buying and selling entertainment across all platforms. The event dates were March 30th to April 3rd. In the aftermath of a distressed global economy, executives at MIPTV were more focused on cutting costs and rethinking current television production models. Gary Marenzi, the president of MGM worldwide television, is optimistic as he keeps an eye on the bigger picture. All in all, visitors noticed that the market has slowed down globally. With distressed markets, falling currencies and drops in advertising sales, people are buying less content in most regions. However, there is still a great demand for cost-effective core programming that is being bought and sold despite the economic crisis. In a nutshell, leaner and meaner production strategies are needed and those who are prepared to take the risk now will enjoy high returns in the future.

MIPTV remains a unique business event, where participants can meet all the major decision makers in one place and at one time. In this year nearly 12,000 participants took the opportunity to network with each other face to face. As a result, transactions have been estimated to total \$5 billion according to a BBC study. The participants had access to 111 countries. Everyone involved benefited from the matchmaking and speed networking accelerator events which facilitated the deal flows between entrepreneurs and investors. Any visitors in need of more privacy used the business lounge for one-to-one business meetings.

The hot topics of discussion were games & TV business, broadband video and branded content. The speakers stressed how advances in broadband video are creating new opportunities for content owners and broadband providers in the broadband video business. Branded content is becoming an ever increasing market. Ad agencies, brands, broadcasters and digital media are cooperating with each other while advertiser-funded entertainment is intelligently integrated into content. During the event, TV and film content owners were also introduced to potential game publishing and digital network partners. European film commission funding was also discussed while digital media stakeholders including new media, broadcasting and technology executives brainstormed on the digital creativity potential of new applications.

In addition, visitors also attended the MIPTV conferences, where top opinion leaders, thought leaders and keynote speakers addressed the trends which are currently shaping today's multiplatform market. The MIPTV community was comprised of representatives from the major content studios, producers and distributors, strategic broadcasting partners, advertising agency reps and digital network operators. Distinguished speakers like Sir Martin Sorrell, the CEO of WPP Group, spoke about controlling costs in television production and about the new audience in today's multiplatform market. The Endemol CEO Ynon Kreitz shared valuable insights about 3D. In addition, Chuck Porter of Crispin Porter + Bogusky and MDC Partners addressed the trends in branded entertainment, while Blue Advertainment co-founder Christophe Lambert spoke about how to finance branded entertainment strategies in today's market.

The content related event was the MIP DIGITAL FORUM with Content 360 and the International Digital Emmy® Awards (I.D.E.A) in the categories fiction, non-fiction and youth. MIPTV's Content 360 is a digital and multiplatform content competition. A total of 21 digital creators and interactive producers competed in presenting their projects. The winners received a €90,000 financing package for project development. The focus of content 360 was on trends like comedy and Ogilvy Interactive's gender oriented branded content. NFB Canada focused on ecological green issues, while interactive education was hosted by the BBC. The results of this year's Content 360 competition are likely to influence the flow of investment monies into the current multiplatform media content trends.

CASE STUDY

TVtrip.com - Another Bankable Format

Paris-based TVtrip.com is a search engine for hotels that uses professionally produced unbiased videos to help travelers choose the hotel that suits their individual needs according to a “what you see is what you get” principle. TVtrip.com displays videos of all hotel facilities and room categories, as well as detailed information and videos about the surrounding area. With TVtrip, the user finds the best prices from multiple trusted booking partners. TVtrip is a start-up which was first officially launched in 2007 by travel and Internet experts with backgrounds in companies such as Expedia, Air France, Lufthansa, Microsoft and Lycos and is based in Paris, Munich and Brussels.

Why is there a market for Tvtrip.com?

- The company has the largest database of professionally filmed and unbiased hotel videos in the world. More than 10,000 videos present rooms, suites and services of over 3,000 hotels in 160 worldwide destinations.
- The website attracted 850,000 unique visitors in January 2009 alone
- TVtrip.com is a new kind of website that uses video to provide transparency for travelers before planning a trip.
- Travelers may avoid disappointment in a hotel room by viewing as much as is technically possible before the traveler checks into the hotel.
- TVtrip.com was created to give travelers a true, objective idea of a hotel before making a reservation.
- All videos are shot by TVtrip professionals rather than by the hotels themselves.
- In addition, Tvtrip presents local attractions such as restaurants and landmarks alongside other local information, as well as guest reviews to help users make the right choice.

What is attractive to investors about Tvtrip’s business model?

- The website attracted 850,000 unique visitors in January 2009 alone
- TVtrip’s primary revenue comes from affiliation, generating income from qualified leads sent to travel partner sites. The hotels are booked through partnerships with online travel agencies like Booking.com or directly on the hotel websites.
- Secondary revenue sources are advertising and the licensing of its video catalogue.
- Tvtrip.com is operating in 15 markets with 10 more sites slated to go live in early May.
- Profitability is expected by the end of the year. Exact figures have not yet been disclosed.

TVtrip recently secured \$9 million in Series B venture capital from its original VC investors Balderton Capital, Partech International and new investor AGF Private Equity. The start-up TVtrip.com was registered as a domain name in 2005 and was officially launched in March 2007 with its first round of \$4.8 million Series A financing. Today the amount of capital invested in the company totals \$13.8 million. The undisclosed angel funded seed money to get Tvtrip.com started is not accounted for in the investment total.

According to Marc Ruff, founder and CEO of TVtrip.com, the new round of financing will help TVtrip.com film more hotels and continue its expansion in the US and Asia, as well as strengthen the various revenue-generating components of the company’s business model. An additional 2,000 hotels have been lined up to be filmed this year. More hotel videos allow Tvtrip.com to maintain and increase their market leads which are monetized through partner deals.

Less than 2 years old, TVtrip.com employs a staff of 30 with brick and mortar offices in Paris, Singapore, Bucharest and Brussels. TVtrip.com is available in 15 countries with 100 percent localized sites. The company recently launched sites in Japan (www.tvtrip.jp), Korea (www.tvtrip.co.kr) and China (www.triptv.cn). TVtrip plans to launch 10 more sites by May 2009.