

Introduction

Gridley's Guide to Digital New York is a unique and comprehensive report for investors, buyers and entrepreneurs looking for one place to quickly get up to speed on New York's exciting, explosive digital ecosystem. In addition to this report, we have designed an "easy to use" website that lays out the information in this report (and more) in a fun, creative way. You can access this website from our firm's home page, www.gridleyco.com, or at www.gridleydigitalny.com.

We decided to put together this report when we were out visiting companies and investors in May/June of 2011 and people starting asking us about all of the "digital momentum" in NY. There was a feeling that lots was going on, but people didn't really understand just what "it" was and how extensive "it" was. Well, now we can tell you a few things about "it":

Since 2006,

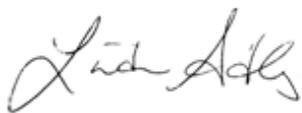
- There has been \$7.2 billion of capital invested in Digital NY companies.
- While the total number of Digital NY private companies probably is well over 600, we have identified 342 to be included in this report. Companies in our report either have raised at least \$5 million of outside capital or are prominent enough in the Digital NY scene to merit inclusion. The digital sectors we focused on are: Content, eCommerce, Marketing, Mobile, and Social.
- There are approximately 229 investors with a focused interest in Digital NY. This includes all stages – Seed, Early Stage, Growth, and Buyout – and includes local firms as well as firms with little or no physical presence in NY.
- There have been thirteen private companies that have raised over \$100MM of capital (Fab.com, Fotolia, ZocDoc, Gilt Groupe, MongoDB, Appnexus, GrubHub Seamless, Foursquare, OnDeck Capital, Everyday Health, ideeli, Thing Daemon, and 1stdibs) and 22 that have raised between \$50MM and \$100MM.
- There have been seventeen \$100MM+ sale transactions of private Digital NY companies since January 2008 (Tumblr, Buddy Media, Mediamind, iCrossing, Admeld, Huffington Post, Webloyalty, About.com, Interclick, Hotjobs, Innovation Interactive, OMGPOP, Ziff Davis Media, Zagat, Behance Network, Register.com, and Answers.com).

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The Digital NY scene is still in its early formation days with lots of growth ahead. We believe that New York's existing ecosystem with big traditional advertising and media companies as well as many large data and internet industry leaders all headquartered here sets the stage for the unique development of the next generation of disruptive digital companies. Nowhere else in the country is there such a blend of the "old guard" with the "new kids on the block" – all in the same city.

So, whether you are looking to buy, sell, invest, or merely "browse", we hope this report and our accompanying website will be of great use to you.

Sincerely,



On Behalf of the Gridley Team

Questions About This Report?

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About Gridley and Company LLC

Gridley & Company is a New York based boutique investment bank that provides financial advisory services to companies in the Internet and Information Services industry with a specific focus on the following sectors: AdTech, Data Services, Digital Marketing & Media, eCommerce, Mobile, Payments & Financial Technology, Social, Advertising & Traditional Marketing, and Saas & Outsourcing Services. Our dedicated industry focus, thoughtful strategic insights and extensive relevant transaction experience differentiate us from other Wall Street firms and lead to successful results for our clients. Gridley & Company LLC was founded in 2001 and is headquartered in New York City.