

DATE

April 28, 2020

SECTORS

Technology & Software

DEAL TYPE

M&A Advisory

DEAL LOCATIONS



DEAL TEAM



Matt Fiore

Managing Director



Joel Strauch

Managing Director



Ryan Frew

Vice President

DC Advisory advised Divvy Cloud Corporation on its sale to Rapid7



Background:

- DivvyCloud Corporation (DivvyCloud) is a Cloud Security Posture Management (CSPM) company
- DivvyCloud enables deep visibility, combined with automated prevention and real-time remediation of risk to deliver continuous security and compliance for cloud environments, including support for Amazon Web Services, Microsoft Azure, Google Cloud Platform, Alibaba Cloud and Kubernetes
- DivvyCloud allows customers to protect cloud and container environments from misconfiguration, policy violations, external and internal threats, and identity and access management challenges
- Rapid7, Inc (Rapid7) is a leading provider of security analytics and automation with over 9,000 customers

Process:

- DC Advisory acted as the exclusive financial advisor to DivvyCloud
- The transaction involved a narrow process catalyzed by a set of targeted strategic discussions at the AWS re:Invent Conference (Dec 2019)
- Rapid7 emerged as the winning bidder and the DC Advisory team helped execute the transaction at a premium valuation level for DivvyCloud shareholders

Outcome:

- Through DivvyCloud's platform, this transaction is expected to provide Rapid7's customers the ability to innovate more securely, move out of data centers and into the cloud, making infrastructure accessible and manageable

We are thrilled to welcome DivvyCloud, its customers and the entire DivvyCloud team to the Rapid7 family. With the acceleration of cloud adoption introducing new enterprise risk areas, we're excited to bring Security and DevOps teams together with DivvyCloud's best-of-breed compliance, risk management and governance for multi-cloud and container environments, while also integrating it with our Insight Cloud platform to create enduring customer value.

Corey Thomas
Chairman and CEO Rapid7

Joining forces with Rapid7 is a natural next step. Their commitment to customers, employees, and company culture is well-aligned with the values that have made DivvyCloud so successful. With the combined expertise of both Rapid7 and DivvyCloud, we are even better positioned to help enterprises accelerate innovation using cloud and containers without the loss of control.

Brian Johnson
Co-founder and CEO DivvyCloud

Security teams are constantly challenged with understanding and effectively managing the risk and security for cloud environments at DevOps speeds. DivvyCloud's technology, team, and market leadership in the cloud security space will enable Rapid7 to better serve its customers' needs by helping them innovate more securely, and provide a robust set of compliance and remediation paths for those with modern cloud infrastructure.

Lee Weiner

Chief Innovation officer Rapid7