

DATE

May 21, 2021

SECTORS

Technology & Software

DEAL TYPE

M&A Advisory

DEAL LOCATIONS



DEAL TEAM



Frank Cordek
Director



Greg Ager
Managing Director

DC Advisory advised Label Insight on its sale to NielsenIQ



Background

- Headquartered in Chicago, US, Label Insight provides the world's largest and most comprehensive metadata platform via product attribute data and patented data science to unlock new growth opportunities both online and in store
- Label Insight drives growth for CPG brands and retailers through product transparency with a database covering more than 99% of all online consumer queries across over 80% of US food, pet and personal care products. It extracts and analyses over 24,000 high-order attributes per product, including ingredients, nutrients, marketing claims, allergens and certifications
- Label Insight was named in the CB Insights 2020 Retail Tech 100, as one of the world's most innovative B2B retail technology companies
- NielsenIQ is the leader in providing the most complete, unbiased view of consumer behavior, globally. Powered by a consumer data platform and fueled by rich analytic capabilities, NielsenIQ enables bold, confident decision-making for the world's leading CPGs and retailers
- NielsenIQ is an Advent International portfolio company

Process

- DC Advisory (DC) was introduced to Label Insight (LI) by its investor group following DC's recent sale of their portfolio company at a near double-digit revenue multiple and because of DC's sector focus expertise across internet software and e-commerce enabling technology
- Over the course of two years, DC built a relationship with LI's management team which included hosting them at DC's annually sponsored Montgomery Summit, where the

introduction of LI to Google led to a partnership. Subsequently, DC and LI's management team worked together facilitating strategic dialogues that furthered inbound interest and drove a market check

- DC's initial view was to structure a market process targeting a mid-year launch based on Label Insight's solid pipeline; however, numerous events led to preemptive discussions
- Events included: (1) market tailwinds across health & wellness and consumer search & discovery; (2) the acceleration of e-commerce proliferation as a result of shifting consumer demands during the pandemic; (3) headline transactions in the sector increased visibility and interest; and (4) ongoing strategic dialog drove engagement with highly selective buyers
- Through engagement with a handful of preemptive parties that realized the immense growth potential of LI's platform, DC worked with the management team to execute on an outcome that enabled the company to bypass a structured process, and earn a preemptive multiple on year-end credit

Outcome

- Following this transaction NielsenIQ will serve clients across multiple CPG categories and retail channels through deepening and accelerating its solutions
- Label Insight is able to integrate their premier product metadata platform with NielsenIQ solutions to help shoppers find the products that meet their individual needs
- This integration captures greater consumer insights and provides a wealth of product information for to create the Worldwide Standard end-consumers
- This transaction demonstrates the growing importance and focus of online commerce – in this case, with a data-driven platform enabling consumers to search for and discover products where brands meet their health & wellness needs

“Frank Cordek and the DC Advisory team proved their worth immediately. The team were authentic and never scared to course correct. They were our biggest cheerleaders while able to provide outsider perspective. It was their level of intellectual honesty that was the perfect fit with Label Insight.”

Dagan Xavier
Co-Founder & CPO, Label Insight

"I highly recommend Frank and DC Advisory. They were true partners

who worked tirelessly and strategically with us to a great exit. They quickly mastered our business, refined models and materials, all the while providing essential counsel as we navigated several strategies."

Todd Morris
CEO, Label Insight

"DC was able to draw on our understanding of the convergence of Internet software and e-commerce enabling technology, as well as in-depth market knowledge and access to a network of industry players to ensure a successful outcome for all. It was a seamless partnership across the LI and DC teams to position and execute what we expect to be a transformative transaction."

Frank Cordek
DC Advisory