



COMMERCIAL & CONSUMER TECHNOLOGY

*M&A Soundcheck – 2H'17*

## Notable Deals in 2H'17 Bode Well for 2018 M&A Activity

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COMMERCIAL & CONSUMER TECHNOLOGY

## Notable Deals in 2H'17 Bode Well for 2018 M&A Activity

2017 has been a fast-paced year for M&A activity across the Commercial & Consumer Technology sectors tracked by Intrepid. It's hard to believe the industry is once again gearing up for CES and NAMM in January. Intrepid completed a couple of notable deals in the C&CT space since our last newsletter, representing **DayMen**—owner of the iconic Lowepro and Joby brands—on its sale to U.K.-based Vitec Corp., and representing **Bear Down Brands** in a transaction with private equity (PE) firm Topspin Partners. These transactions each represent distinct themes that we are seeing across all sectors – strategic consolidation in mature markets in the case of Daymen and PE investment in fast growing eCommerce companies in the case of Bear Down.

Other notable trends in 2017 include strong activity in the gaming space, with Corsair changing PE hands and Logitech making a push with its acquisition of Astro Gaming. We are also seeing continuing consolidation in the lighting space with both strategic and PE buyers highly active. The residential and commercial A/V markets have similarly experienced a ton of activity as buyers add capabilities, penetrate new markets or take out competitors. Congrats to our friends at Snap A/V on their successful PE secondary trade from General Atlantic to Hellman & Friedman.

Finally, on a sadder note, we wanted to acknowledge the passing of our good friend and colleague John Stiernberg who was a steadfast supporter and thought leader in the Commercial and Residential A/V markets for nearly 40 years. We extend our thoughts and condolences to Jeanne and the rest of John's family.

There is a lot of M&A activity and capital chasing deals right now. We hope this report serves as a useful tool for your business. As you evaluate your opportunities, please feel free to call us at 310.478.9000 for more pointed insight.

**Thank you,**

A handwritten signature in black ink, appearing to read "Gary Rabishaw".

**Gary Rabishaw**

Managing Director

Head of Commercial & Consumer Technology

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## Consumer Technology

### Vitec Group Acquires Daymen

Vitec, a provider of products and solutions to the broadcast and photographic markets, acquired Intrepid's client DayMen, owner of the Lowepro and JOBY Brands. Vitec will add JOBY and Lowepro to its portfolio of globally recognized brands, including Manfrotto, Gitzo, Lastolite and Avenger. The acquisition strengthens Vitec's position within the photography accessories market and positions the company as the top provider of accessories within the fast-growing iPhonography and vlogging segments.



### Topspin Partners Acquires Bear Down Brands

Private equity firm Topspin Partners acquired Intrepid's client Bear Down Brands, a developer and marketer of branded home, health and wellness products. Bear Down is known for identifying and launching products across fragmented and underserved eCommerce markets. Interest in "eCommerce first" brands is surging as investors seek to capitalize on the exponential growth of online shopping. The company's success demonstrates the power of branding coupled with eCommerce expertise.



### TE Connectivity Acquires Hirschmann Car Communications

TE Connectivity acquired Hirschmann Car Communications, one of the world's leading specialists in antenna technologies for automobile communications and connectivity, from VOXX International for \$166 million. The acquisition will allow TE Connectivity to offer true end-to-end data connectivity solutions for connected and autonomous vehicles, a segment that is poised for growth as IoT solutions continue to evolve. VOXX will continue to operate its automotive OEM and aftermarket businesses.



### Logitech Acquires Astro Gaming

Logitech acquired Astro Gaming, a gaming headset brand with a history of producing award-winning headsets for professional gamers and enthusiasts, for \$85 million. Astro is a pioneer in audio and lifestyle products and is best known for its iconic A40 and A50 headsets for pro gamers and hardcore enthusiasts. Logitech will add Astro to its gamer portfolio that already includes Jaybird and Ultimate Ears.



### EagleTree Capital Acquires Majority Stake in Corsair

Private equity firm EagleTree Capital, formerly Wasserstein Partners, acquired a majority stake in Corsair, a manufacturer of high-performance computer components and gaming peripherals, from Francisco Partners for \$525 million. The transaction provides an infusion of capital for Corsair at a time when its rival Razer recently raised around \$600 million through a Hong Kong IPO.



## Lighting

### European PE Group Triton Acquires Majority Stake in Glamox

European private equity firm Triton acquired a majority stake in lighting manufacturer Glamox, for \$461 million or 1.4x sales and 10.5x EBITDA. Glamox is a leading supplier of lighting solutions to the marine and offshore markets as well as the professional building industry throughout Europe. The company owns brands including Glamox, Aqua Signal, Luxo, Norselight and LINKSrechts.



### AV1 Group Acquires a 49% Stake in Intelligent Lighting

AV1 Group, a publicly-traded holding company that owns businesses in smart cities, LED lighting and the cannabis industry, acquired a 49% stake in Intelligent Lighting, a company that owns a disruptive technology that can be used to produce a whole new generation of light bulbs for commercial and consumer use. Intelligent Lighting's technology could be a game-changer in the lighting industry.



## Lighting (Cont'd)

### Osram Acquires LED Engin

Osram acquired Silicon Valley-based LED Engin, a specialist in fabricating ultra-bright, ultra-compact solid-state lighting solutions. In addition to providing lighting solutions for entertainment and horticulture, LED Engin produces solutions for ultraviolet and medical lighting applications. GVT Fund, NGP Energy Ventures and Partech Ventures cashed out as a result of the transaction.



### Leviton Acquires Birchwood Lighting

Leviton's newly formed lighting business unit made another acquisition. This time it was the purchase of Birchwood Lighting, a manufacturer of high-quality specification grade light fixtures tailored to meet the demands of the architectural, commercial and retail design communities. Birchwood joins JCC, ConTech Lighting and Intense Lighting as the fourth acquisition in the Leviton Lighting Business Unit.



### Legrand Acquires Finelite

Legrand continued its buying spree with the acquisition of Finelite, a designer and manufacturer of high performance, environmentally sustainable lighting solutions and products for commercial, educational and healthcare facilities. Finelite joins Pinnacle and OCL as Legrand's latest addition to its expansive lighting portfolio.



### Harbour Group Acquires Green Creative

Harbour Group acquired Green Creative, a developer of advanced LED lighting. The investment is an add-on to Harbour Group's April purchase of ILP Holdings Corporation (ILP), a manufacturer of energy-efficient luminaires and retrofit solutions. With this latest add-on acquisition, Harbour Group is positioned for market share expansion as the lighting industry becomes LED-dominant.



## Music Technology

### LiveXLive Acquires Slacker Radio

LiveXLive, a live music streaming service, acquired one of the longest running digital radio and music streaming providers, Slacker Radio, for \$50 million or 1.4x sales. LiveXLive has struggled to penetrate the streaming market despite hosting performances by Rihanna, Katy Perry, Radiohead, Chance The Rapper, and Bruce Springsteen. The acquisition of Slacker Radio provides LiveXLive an opportunity to increase its usage time beyond nightly concerts and festivals.



### Warner Music Group Acquires Songkick

Warner Music Group acquired concert discovery service Songkick. The deal did not include Songkick's ticketing business or the pending litigation against Live Nation and Ticketmaster. Warner aims to leverage Songkick's 15 million monthly users by using its existing eCommerce expertise and expansive reach to broaden "their direct-to-fan capabilities." In other words, Warner will attempt to do what Songkick already tried and leverage the platform for direct-to-consumer ticket sales.



### Eventbrite Acquires Ticketfly from Pandora

Streaming music service Pandora found a white knight to provide a cash injection as it seeks to enhance its business. SiriusXM invested \$480 million in the streaming music provider, giving SiriusXM around 16% of the company. In parallel, Pandora has offloaded Ticketfly, the ticketing service it acquired for \$450 million in 2015, to Eventbrite for \$200 million or 1.8x sales.



## Music Technology (Cont'd)

### TouchTunes Has Merged with PlayNetwork

New era digital jukebox maker TouchTunes has merged with PlayNetwork, a provider of music and branded entertainment content (primarily in-store entertainment for retail, restaurant and hospitality locations). The companies hope to use their complementary product lines to create better businesses and experiences for their customers. TouchTunes was acquired by Searchlight Capital Partners in 2015.



### Vimeo Acquires Livestream

After abandoning plans to launch a subscription video-on-demand business, IAC-owned streaming video site Vimeo acquired the live video streaming platform Livestream and is launching its own live streaming product, Vimeo Live. For Vimeo, Livestream represents the largest acquisition in its history and an alternative to competing with leaders in the space like Netflix, Amazon and Hulu who are spending billions of dollars on original content.



### Spotify Acquires Mediachain Labs and Niland

Spotify completed its third and fourth deals of the year, acquiring Brooklyn-based blockchain start-up Mediachain Labs and Niland, creator of an artificial intelligence based product that improves search accuracy for music recommendations. Earlier this year, Spotify acquired TV recommendation platform MightyTV and U.K. recognition start-up Sonalytic.



## Pro Audio/Visual

### Belden Acquires Thinklogical

Belden acquired Thinklogical, a provider of high-quality, end-to-end signal transmission solutions, from Riverside Partners for \$160 million or 3.1x sales and 9.4x EBITDA. Belden views Thinklogical and its line of fiber-optic-based video and switching equipment as strengthening its Broadcast Solutions platform. The deal also allows Belden to penetrate the high-performance keyboard/video/mouse switching hardware market.



### NEP Group Acquires Bexel Global Broadcast Solutions

NEP Group, a leader in entertainment production solutions, acquired Bexel Global Broadcast Solutions from Vitec Group. As a result of the acquisition, the two solution providers have formed the leading provider of live sports production solutions. Through their relationship, Bexel will benefit from access to a wider assortment of resources and NEP gains a reputation as the market leader and increases its inventory of specialty live sports production solutions.



### Amplifier Technologies Acquires Datasat Digital Entertainment

Amplifier Technologies, a leading designer and manufacturer of high-performance audio amplifiers and processing products acquired Datasat Digital Entertainment (formerly DTS Digital Cinema), the leader in audio processing technologies for high-end home audio and professional cinemas. The acquisition bolsters Amplifier Technologies' high-end audio processing and amplification product suite.



### Bunzl Acquires Pixel Inspiration

Bunzl, the international distribution and outsourcing group, has further diversified its operations by acquiring Pixel Inspiration, a U.K.-based marketing company that specializes in digital signage. Bunzl adds Pixel to its standing marketing division, and aims to use the acquisition as a platform for expansion into the digital signage sector.



## Pro Audio/Visual (Cont'd)

### Harman Acquires Arcam

Harman, the legendary audio brand that was recently acquired by Samsung, bought Arcam, a wholly-owned subsidiary of Jam Industries. Arcam designs and sells high-performance audio products, including A/V receivers, amplifiers, DACs and speakers. The acquisition will allow Harman to seize on the increasing demand for higher-quality audio.



### Eagle Eye Network Acquires Panasonic Cloud Management Services Europe BE

Eagle Eye Networks, a cloud-based video surveillance solutions company acquired Panasonic Cloud Management Services Europe BE (PCMSEU), its European counterpart. The transaction is a pureplay geographical expansion move on the part of Eagle Eye, as they will retain PCMSEU's management and engineering teams.



### Clair Global Acquires Britannia Row Products

Live entertainment production support company Clair Global acquired Britannia Row Productions, a provider of high-end audio equipment. This transaction follows a successful short-term strategic alliance between the two companies in which they realized that together they could expand their worldwide client base and establish a substantial presence in the all major territories.



### FMAV Acquires Ruoff & Company

The largest Canadian-owned A/V company, FMAV, acquired an established leader in the corporate A/V and event space, Ruoff & Company. Through the acquisition, Ruoff & Company will deepen its product offering for existing clients while FMAV will leverage Ruoff's engineering team to increase their innovation efforts. Together the two companies will form a professional audiovisual company with an expansive geographical presence.



### Digital Audio Labs Acquires LaChapell Audio

Digital Audio Labs, an audio equipment manufacturer, acquired LaChapell Audio, a specialty provider of tube microphone preamps and studio outboard equipment. With this acquisition, Digital Audio Labs aims to leverage the LaChapell brand to strengthen its portfolio of products.



### Semtech Acquires AptoVision Technologies

A leading provider of high-performance analog and mixed signal semiconductors, Semtech, acquired AptoVision Technologies, producer of VOIP solutions for the residential and commercial markets. With this \$75 million acquisition, Semtech looks to position itself on the forefront of A/V innovation as customers throughout the professional A/V market begin transitioning from matrix switching to VOIP.



### STRATACACHE Acquires Walkbase

An industry leader in the rapidly evolving digital signage segment, STRATACACHE, added Walkbase, a cloud-based in-store analytics and marketing platform, to its cavalry of specialty digital marketing tools. With this acquisition, STRATACACHE aims to utilize Walkbase's real-time software and highly-advanced mobile tracking to better understand its customers' buying patterns and ultimately create more successful targeted and personalized advertisements.



### Legrand Acquires Milestone AV

Legrand, the giant electrical building systems manufacturer, continues to expand its A/V empire with the \$950 million acquisition of Milestone AV, a provider of TV mounting solutions and commercial and consumer display solutions from the Pritzker Group. This acquisition provides synergies for Legrand in the commercial and residential technology market, where it can offer all-in-one professional A/V packages.



## Residential Technology

### Vanco International Acquires Beal Street Audio

Vanco International, a manufacturer and distributor of A/V products and accessories, acquired Beal Street Audio, a designer of architectural speakers and known for its Sonic Vortex loudspeaker technology. Over the past few years, Vanco has expanded its line of audio and video products to meet the growing demand from residential and commercial A/V dealers.



Get Real. Get Beal.



### Hawk Capital Partners Acquires LifeShield

Hawk Capital Partners acquired LifeShield, a DIY wireless home security company, from DirecTV. The deal comes under unusual circumstances, first as a divestment for DirecTV following the AT&T merger and second, Hawk Capital Partners is now coming full circle and reacquiring the company it sold to DirecTV in 2013.



### Hellman & Friedman Acquires SnapAV

Hellman & Friedman acquired SnapAV, a vertically-integrated supplier in the smart home-technology sector from its private equity partner General Atlantic. Hellman & Friedman is known for swinging for the fences with transformative add-on transactions and the SnapAV CEO has already hinted that "growth could come from big strategic moves." Stay tuned for Snap AV's next move.



### Richmond Capital Partners Acquires Smartlabs

Richmond Capital Partners acquired Smartlabs, the parent company of Instron, which makes technology for Internet of Things (IoT) devices, and Smarthome, an eCommerce store for home automation products. Richmond Capital acquired the company with the former CEO of successful predictive analytics start-up Medio Systems, which was ultimately acquired by HERE Technologies.



### Vogel's Acquires Marmitek

Vogel's, a market leader in TV mounts and supports, acquired the Dutch company Marmitek, a developer of applications for audio and video. With the acquisition, Vogel's aims to position itself as a specialist in product-based solutions to improve consumer's experience of sound and vision at home and in the professional market.



### Hubbell Acquires iDevices

Lighting giant Hubbell, acquired iDevices, an emerging developer of residential IoT devices including Wi-Fi lighting and HomeKit-compatible products. Hubbell traditionally offered limited electrical products for residential use, primarily focused on lighting, electronics and power solutions for commercial, industrial and utility applications. This acquisition lays the groundwork for Hubbell to enter the IoT space at a significant scale.

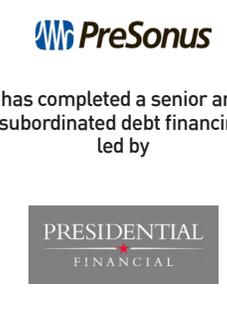


### Savant Acquires Artison

Home automation company Savant acquired audio components manufacturer Artison, expanding the company's pro audio offering and allowing it to supply audio over IP solutions to integrators. The combined companies plan to unveil new products specifically engineered for the luxury home and commercial markets.



## Select Recent Transactions

 <p>lowepro<sup>®</sup> JOBY<sup>®</sup> assets of <b>DAYMEN</b> have been sold to <b>VITEC GROUP</b> (LSE:VTC)</p>	 <p>BEAR DOWN BRANDS owner of <b>pore enrichment</b> <b>bentgo</b> has received an investment from <b>tOpspin</b> Topspin Partners</p>	 <p>VXi blueparrott a portfolio company of <b>vicente capital partners</b> has been acquired by <b>Jabra GN</b></p>	 <p>amped   wireless. has been acquired by <b>Digital Products International</b></p>
<p>Advisor to DayMen Acquisition S.A.</p>	<p>Advisor to Bear Down</p>	<p>Advisor to VXi Corporation</p>	<p>Advisor to Amped Wireless</p>
 <p>American De Rosa Lamparts, LLC dba <b>Luminance</b> a portfolio company of <b>SHOREVIEW</b> has been acquired by <b>RESILIENCE</b> CAPITAL PARTNERS</p>	 <p><b>SunBriteTV</b> a portfolio company of <b>BUNKER HILL CAPITAL</b> has been acquired by <b>Snap AV</b> a portfolio company of <b>GENERAL ATLANTIC</b></p>	 <p><b>PreSonus</b> has completed a senior and subordinated debt financing led by <b>PRESIDENTIAL FINANCIAL</b></p>	 <p><b>Blue</b> Microphones a portfolio company of Transom Capital Group has been acquired by <b>Riverside</b></p>
<p>Advisor to Luminance</p>	<p>Advisor to SunBriteTV</p>	<p>Advisor to PreSonus</p>	<p>Advisor to Blue Microphones</p>

## Commercial & Consumer Technology Team



**Gary Rabishaw**  
Managing Director  
*Head of Commercial & Consumer Technology*



**Eli Greif**  
Associate

Intrepid's Commercial & Consumer Technology team provides a unique blend of proven execution expertise, deep industry knowledge, and relationships cultivated over many years of dedicated coverage. Target sectors include: pro audio/visual technologies, digital signage, and residential and consumer technology. By focusing exclusively on these sectors, our industry bankers have a deep understanding of prevailing trends and value drivers.

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