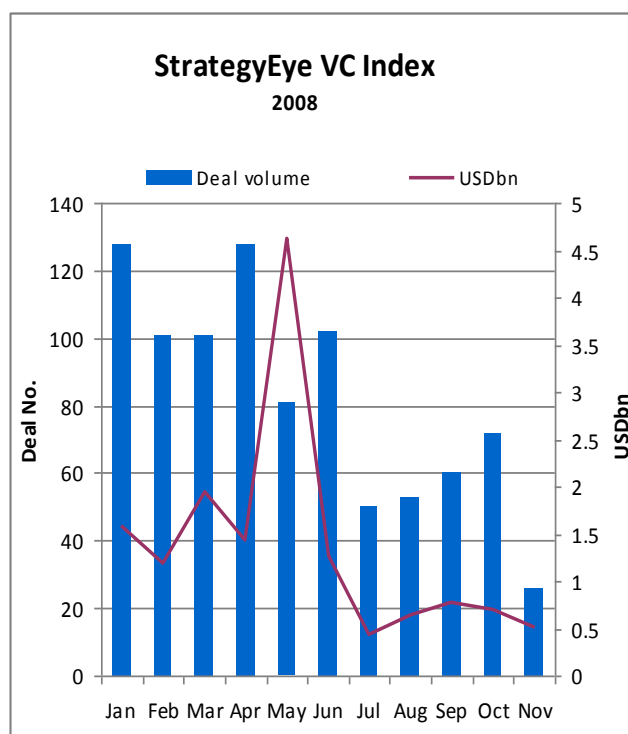
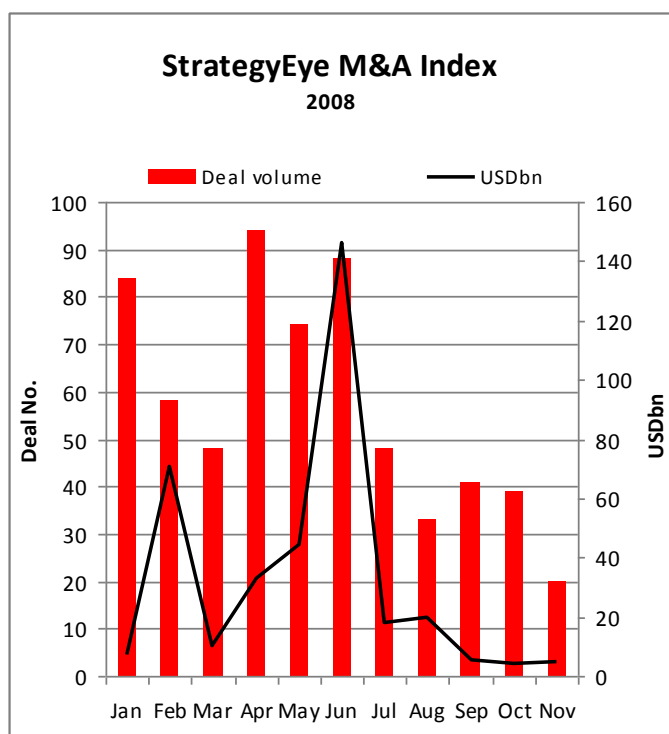


StrategyEye Dealflow – November 10-14, 2008

| Deal Type | Transactions Tracked | Transaction Value (completed) | Aggregate Transactions 2008 | Aggregate Value of Transactions 2008 |
|-------------|----------------------|-------------------------------|-----------------------------|--------------------------------------|
| M&A | 13 | USD 4631 | 627 | USD 363530.2m |
| VC | 14 | USD 514.15m | 902 | USD 15108.72m |
| Partnership | 21 | - | 1004 | - |



FEATURED DEAL

[DoCoMo buys USD2.7bn stake in Tata Teleservices](#)

Japanese mobile operator, NTT DoCoMo, is expanding into India with the acquisition of a 26% stake in Tata Teleservices (TTLS) for IRS130.7bn (USD2.7bn). DoCoMo is also planning to make a public bid for a 20% stake in Tata Teleservices Maharashtra, a regional operator of the Tata group, through a joint tender offer with Tata Sons.

DEALS OF THE WEEK

[Microsoft inks search deal with Sun](#)

Microsoft is partnering with Sun Microsystems to distribute the MSN Toolbar as part of Sun's Java software package. The deal is designed to boost traffic to Microsoft's Live Search engine, as it struggles to gain ground on rivals Google and Yahoo!. US users who download the Java Runtime Environment can choose to install MSN Toolbar for Microsoft Explorer.

[Property rental company, HomeAway, raises USD250m](#)

HomeAway, an Austin-based property rental company, has raised USD250m in a Series C round led by Technology Crossover Ventures with Institutional Venture Partners and Redpoint Ventures also participating. The company previously raised USD160m in Series B funding from Institutional Venture Partners and Trident Capital in 2006 and USD49m in Series A funding from Austin Ventures and Redpoint Ventures in 2005.

[Ubisoft buys Activision subsidiary Massive](#)

Ubisoft has acquired Swedish games studio Massive Entertainment from its parent company, Activision Blizzard, for an undisclosed sum. Activision has been looking to sell the asset for three months after Activision's recent merger with Vivendi made the unit surplus to needs, reports Digital Spy.

[YouTube to host full-length MGM films](#)

YouTube is signing a deal with Metro-Goldwyn-Mayer (MGM) to host full-length films and TV shows from the US studio's archive, reports The New York Times. The deal, which is due to be announced this week, follows a similar agreement last month with CBS.

OTHER BREAKING STORIES

[Microsoft pledges aid for startups](#)

Microsoft is launching a new programme to help internet startups by giving them free access to software, tech support and business contacts. Entitled BizSpark, the programme will "provide business startups with the development tools and advice they need," says CEO Steve Ballmer.

[Nokia launches location-aware social networking](#)

Nokia is offering a new social networking service that allows live bloggers to find each other via global positioning system (GPS) features built into Nokia phones. The new Friend View service permits friends that belong to the same groups to automatically map their locations. Each friend is assigned an avatar, allowing all friends' locations to be displayed simultaneously.

[READ VIEWPOINT: Nokia experiments with GPS social networking software](#)

[Vodafone cuts sales target by USD1.6bn](#)

Vodafone is slashing its revenue forecast for the second time in four months and plans to cut costs drastically, as the economic downturn impacts its business. The world's largest mobile operator expects revenue of between GBP38.8bn (USD60.5bn) and GBP39.7bn (USD61.9bn) for the 12 months to March, GBP1bn (USD1.6bn) less than its previous forecast.

[Facebook valued at USD4bn - Rumour](#)

Facebook is valued at USD4bn based on exchanges of common stock, reports Silicon Valley Insider, quoting an unnamed source. According to the blog, Facebook's latest round of employee stock options are priced about 5% higher than the prior round, placing the valuation at slightly more than USD4bn.

[YouTube launches video ad platform](#)

YouTube is rolling out a self-service, paid-search platform that can be used to promote video clips on the site. YouTube Sponsored Videos lets users bid on keywords, with promoted clips featuring in a right-hand panel alongside regular video results.

SEARCH

[Microsoft close to clinching Verizon search deal - Rumour](#)

Microsoft is close to agreeing a deal with Verizon that will establish Live Search as the default browser on the mobile operator's handsets, reports the Wall Street Journal, citing people familiar with the deal. Reports that the firms are holding talks first emerged last week.

[Microsoft inks search deal with Sun](#)

Microsoft is partnering with Sun Microsystems to distribute the MSN Toolbar as part of Sun's Java software package. The deal is designed to boost traffic to Microsoft's Live Search engine, as it struggles to gain ground on rivals Google and Yahoo!. US users who download the Java Runtime Environment can choose to install MSN Toolbar for Microsoft Explorer.

[Consumer finance site, Helpmycash, raises USD3.7m](#)

Helpmycash, a Barcelona-based consumer finance site, has raised EUR3m (USD3.7m) in Series A funding from Debaeque. Founded in 2008, Helpmycash provides advice to consumers on personal finance products and services.

VIDEO

[Conde Nast signs online video deal with Brightcove](#)

Magazine publisher Conde Nast is set to add ad-supported video content to its online publications after signing a deal with Brightcove. Using the Brightcove 3 platform, Conde Nast will add a range of video clips to Wired.com, Glamour.com, Parade.com and Self.com.

[Fremantle launches exclusive YouTube shows](#)

FremantleMedia, the production house behind The X-Factor and American Idol, will produce programmes to be shown exclusively on YouTube, as part of a new partnership with the video site. Under the deal, the companies will split revenues from ads placed next to the content.

[Online entertainment studio, Agility Studios, raises funding](#)

Agility Studios, a Los Angeles-based online entertainment studio, has raised an undisclosed amount in seed funding from Mantucket Capital.

[RDF considers USD75m takeover offer](#)

RDF Media says it is considering a GBP50m (USD75m) takeover offer from a consortium featuring Cyrte Investment, a company linked to Big Brother founder John De Mol. RDF, the independent production company responsible for TV shows such as Location, Location, Location and Wife Swap, says it expects to receive an offer of GBP1.20 (USD1.80) per share in the coming weeks.

ADVERTISING

[Performics sale nets Google USD53m](#)

Google received USD53m from the sale of Performics Search Marketing to Publicis Groupe, a tax filing reveals. Google sold Performics for an undisclosed sum in August, only four months after acquiring it as part of its takeover of DoubleClick.

[Virgin Media sales house considers merger - Rumour](#)

IDS, the Virgin Media-owned sales division, may consider a merger with rivals Five and Viacom Brand Solutions (VBS), reports Brand Republic. Five and VBS are reportedly keen to establish a new joint sales venture with IDS by 2010 to rival Sky's sales team.

[Mobile video network, Transpera, raises USD8.25m](#)

Transpera, a Los Angeles-based mobile video network, has raised USD8.25m in Series B funding from Flybridge Capital Partners, Intel Capital and First Round Capital. This figure includes debt financing provided by Silicon Valley Bank. The company previously raised an undisclosed amount in Series A funding from the same group of investors in July 2007.

SOCIAL MEDIA

[Windows Live gets Facebook features](#)

Microsoft is reinventing Windows Live as a social network by adding many of the features already found in sites such as Facebook. Photo and music-sharing features are supplied through partnerships with Photobucket, Flickr, iLike and Pandora.

[Gannett acquires social media firm Ripple6](#)

US newspaper publisher Gannett is hoping to bolster its digital business after acquiring social media company Ripple6 for an undisclosed sum. Based in New York, Ripple6 provides white label social networks and in-house technical services for digital businesses

[Software recommendation startup, OpenCandy, raises USD3.5m](#)

OpenCandy, a San Diego-based software recommendation startup, has raised USD3.5m in Series A funding from Bessemer Venture Partners, O'Reilly AlphaTech Ventures and a number of private investors including Reid Hoffman, Chairman of LinkedIn, and Jordan Greenhall, former CEO of DivX.

BROADCASTERS & CHANNELS

[Lionsgate invests USD8.6m in joint TV venture](#)

Movie production studio Lionsgate says it has so far invested USD8.6m in the new video-on-demand (VoD) channel it is launching next year with Viacom's Paramount Pictures and Metro-Goldwyn-Mayer (MGM). Lionsgate's investment represents 28.57% of the venture, known as Studio 3 Partners.

[TVC raises stake in Ireland's UTV](#)

Investment firm TVC is buying a 3% stake in the Ulster Television Group (UTV) for GBP2.2m (USD3.2m). The investment brings TVC's holding in the Irish broadcaster to 18%. TVC became UTV's largest shareholder on July 11, when it bought an 11% stake in the broadcaster for GBP14.9m (USD21.9m).

[Veoh partners with SanDisk on video downloads](#)

Veoh is partnering with SanDisk to allow users to download content from the video-streaming site direct to SanDisk USB devices. Web Player for SanDisk, which will initially roll out on SanDisk's Cruzer-branded flash drives, will let users watch saved videos offline on any PC. The launch builds on the PC-based Veoh Web Player, which launched in beta last month.

WEB APPLICATIONS

[Matchmaking site, be2, raises USD19m](#)

be2, a London-based matchmaking site, has raised EUR15m (USD19m) in Series B funding from Index Ventures. The company previously raised an undisclosed amount in Series A funding from Banexi Ventures and a number of angel investors.

[Media hosting site, ImageShack, raises USD15m](#)

ImageShack, a California-based media hosting site, has raised USD15m in funding from Sequoia Capital. Founded in 2003 by former Google employee Alexander Levin, ImageShack provides a free online hosting service for images, flash files and video clips.

[Mobile trade-in site, Flipswap, raised USD14m](#)

Flipswap, a Los Angeles-based mobile trade-in site, has raised USD14m in Series B funding from NGEN Partners and RRE Ventures. Founded in 2005, Flipswap operates an exchange for the trade of second-hand mobile phones. Sellers submit details on the model and condition of their handset into a pricing engine which generates a cash offer or store credit.

[P2P infrastructure company, PeerApp, raises USD8m](#)

PeerApp, a Massachusetts-based P2P infrastructure company, has raised USD8m in Series B funding from Pilot House Ventures, Cedar Fund and Evergreen Venture Partners. The company previously raised USD3m in Series A funding from the same group of investors in January.

DEAL LEAGUE TABLE

| M&A Deals | Region | Amount (USD m) | Target | Investor / Partner / Buyer |
|--|--------------|----------------|--|---|
| DoCoMo buys USD2.7bn stake in Tata Teleservices | India | 2700 | Tata Teleservices Ltd | NTT DoCoMo |
| WPP and Nielsen swap assets | UK | 1700 | Taylor Nelson Sofres (TNS) | WPP |
| AT&T acquires Centennial for USD944m | USA | 944 | Centennial Communications Corporation | AT&T |
| RDF considers USD75m takeover offer | UK | 75 | RDF Media | Cyrte Investments |
| Telkom buys Naspers internet business | South Africa | 63 | MWEB, Naspers | Telkom |
| Performics sale nets Google USD53m | USA | 53 | Performics, Google | Publicis Groupe S.A |
| Gannett acquires social media firm Ripple6 | USA | nd | Ripple6 | Gannett Co., Inc |
| TVC raises stake in Ireland's UTV | UK | nd | Ulster Television Group (UTV) | TVC Holdings |
| Virgin Media sales house considers merger - Rumour | UK | nd | IDS | Five, Viacom Brand Solutions |
| Sun Microsystems under pressure to find buyer | USA | nd | Sun Microsystems | Kohlberg Kravis Roberts |
| Ubisoft buys Activision subsidiary Massive | USA | nd | Massive Entertainment, Activision Blizzard | Ubisoft |
| Gannett acquires health site PearlsReview | USA | nd | PearlsReview | Gannett Co., Inc |
| Partnership Deals | Region | Amount (USD m) | Target | Investor/Partner/Buyer |
| 3 launches Facebook phone | UK | | | Hutchison Whampoa, Facebook |
| Windows Live gets Facebook features | USA | | | Automatic, Flickr, iLike, LinkedIn, Microsoft, Pandora International, Photobucket |
| Live Nation to sell MP3s - Rumour | USA | | | Universal Music Group, Sony BMG, LiveNation, EMI Group |
| Veoh partners with SanDisk on video downloads | USA | | | Veoh, SanDisk |
| MySpace launches TV widget | USA | | | Hulu, MySpace, Sony, Warner Bros. Entertainment Group |
| Telegraph launches finance tool with Wesabe | UK | | | Telegraph Media Group, Wesabe |

| | | | | |
|---|---------------|-----------------------|-----------------|---|
| Lionsgate invests USD8.6m in joint TV venture | USA | | | Paramount Pictures, Metro-Goldwyn-Mayer, Lions Gate Entertainment |
| China's Huawei to launch Android phone | China | | | Android Productions, Huawei Technologies, Symbian |
| Microsoft close to clinching Verizon search deal - Rumour | USA | | | Verizon, Microsoft |
| Yahoo! Japan launches online drama site | Japan | | | Yoshimoto Kogyo, Yahoo! |
| Microsoft inks search deal with Sun | USA | | | Sun Microsystems, Microsoft |
| Conde Nast signs online video deal with Brightcove | USA | | | Brightcove, Conde Nast Publications |
| Fremantle launches exclusive YouTube shows | UK | | | YouTube, Fremantle Media |
| Apple approves 3G video-streaming app | USA | | | Orb Networks, Inc, Apple, Inc. |
| CNN pitches newswire service to newspapers | USA | | | Cable News Network |
| Sony to offer DRM-free iTunes tracks - Rumour | USA | | | Apple, Inc., Sony BMG |
| YouTube to host full-length MGM films | USA | | | YouTube, Metro-Goldwyn-Mayer |
| Microsoft and Telstra target business markets | Australia | | | Telstra, Microsoft |
| Tesco launches online video service | UK | | | Tesco, Warner Bros, Sony |
| VC Deals | Region | Amount (USD m) | Target | Investor/Partner/Buyer |
| Property rental company, HomeAway, raises USD250m | USA | 250 | HomeAway, Inc. | Technology Crossover Ventures, Redpoint Ventures, Institutional Venture Partners |
| Matchmaking site, be2, raises USD19m | UK | 19 | be2 | Index Ventures |
| Media hosting site, ImageShack, raises USD15m | USA | 15 | ImageShack | Sequoia Capital |
| Mobile security software firm, Trust Digital, raises USD14.5m | USA | 14.5 | Trust Digital | SummerHill Venture Partners, Square1Bank, MMV Financial, Fairhaven Capital, Core Capital Partners, Avansis Ventures |
| Mobile trade-in site, Flipswap, raised USD14m | USA | 14 | Flipswap | RRE Ventures, NGEN Partners |
| Mobile video network, Transpera, raises USD8.25m | USA | 8.25 | Transpera | Silicon Valley Bank, Intel Capital, Flybridge Capital Partners, First Round Capital |
| P2P infrastructure company, PeerApp, raises USD8m | USA | 8 | PeerApp | Pilot House Ventures, Evergreen Venture Partners, Cedar Fund |
| Online marketplace, Second Rotation, raises USD6m | USA | 6 | Second Rotation | Venrock Associates |
| Social commerce startup, Alice.com, raises USD4.3m | USA | 4.3 | Alice.com | Kegonsa Capital Partners, DaneVest Capital |
| Consumer finance site, Helpmycash, raises | Spain | 3.7 | Helpmycash | Debaeque Venture Capital |

| | | | | |
|--|-----|-----|-----------------|--|
| USD3.7m | | | | |
| Software recommendation startup, OpenCandy, raises USD3.5m | USA | 3.5 | OpenCandy | O'Reilly AlphaTech Ventures, Bessemer Venture Partners |
| Mobile advertising firm, Mojiva, raises funding | USA | nd | Mojiva | Bertelsmann Digital Media Investments |
| Online entertainment studio, Agility Studios, raises funding | USA | nd | Agility Studios | Mantucket Capital |

StrategyEye Digital Media

StrategyEye is our specialist online intelligence platform designed for top executives who work across the internet, media and telecom sectors. Because we specialise in these areas, we are able to deliver highly relevant intelligence to match the diversity and complexity of our clients' rapidly changing market conditions. We cover 450 TMT sub-categories (in areas such as social networks, mobile games, online classifieds, content distribution etc).

Our system contains a sophisticated industry map, which unifies convergence and tracks deal activity across the sectors, enhancing clients' ability to take advantage of opportunities and tackle potential threats. Top media teams use StrategyEye as a support tool for strategic decision making as well as business and corporate development.

StrategyEye's clients include: Disney, the BBC, BSkyB, Liberty Media, Nokia, UBS and Vodafone.

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