

Falfurrias Capital Partners Announces Growth Investment in Brainlabs

The strategic partnership will allow one of the world's fastest-growing digital agencies to further expand global presence

CHARLOTTE, N.C. September 18, 2023 — <u>Falfurrias Capital Partners</u> (FCP), a private equity firm focused on growth-oriented, middle-market businesses, today announced its investment in <u>Brainlabs</u>, an internationally acclaimed full-service media agency. The agency is renowned for its 'high-performance' approach to media, to deliver measurable and profitable business impact to brands worldwide, powered by data and technology.

Founded in 2012, Brainlabs quickly achieved a reputation as an industry trailblazer – garnering the young agency early interest from the industry and investors alike, with Gilbert first taking investment in 2019 from private equity firm Livingbridge. In the four years since, the agency has seen top line growth of 800% and integrated eight strategic acquisitions. Its client portfolio includes WeTransfer, Estée Lauder Companies and adidas.

Brainlabs Founder Daniel Gilbert will continue to lead as Global CEO, and Stephen Allan will remain full-time Executive Chairman. Falfurrias Capital Partners' Alexander Jutkowitz, Geordie Pierson, and Joe Price, as well as the Ad Council's Lisa Sherman will join the company board.

Founder & Global CEO, Daniel Gilbert, said: "We've come a long way since I started the agency in my parents' attic, just over 10 years ago. From day one, this business has been built on the belief that high performance in media would require a data-driven, tech-enabled methodology, rooted in digital media. With digitization comes measurability and that's why we created an agency with the culture to create and test, finding both the big game-changing moves and the marginal gains for our clients, using the smartest tech and the sharpest minds. I know that at Brainlabs, we have created something groundbreaking. Our success signals a new era, and we will be the first in a wave of challengers who will be pioneers: setting a new industry standard for media agencies. Our partnership with the equally forward-thinking Falfurrias Capital Partners validates that. There are so many people I'd like to thank, most of all of our extraordinary Brainlabbers and, of course, Livingbridge for their support over the last four years."

Executive Chair, Stephen Allan, added: "When I came on board, I said that Brainlabs was a leading digital media agency which had proven itself to be a formidable competitor. I could see a very real opportunity for us to scale the business and to act for an increasing number of multinational and global clients, who would be excited by our unique approach to their media investments. Today's announcement further solidifies this ambition. In the two years since I joined, we have welcomed more and more global brands to our client roster, who are seeing phenomenal results from our teams worldwide. I'd like to take this opportunity to thank our previous investors Livingbridge for their support in our rapid growth story and look forward to partnering with the team at Falfurrias to take this growth to the next level."





"With our extensive experience in the marketing and media space, Brainlabs is a perfect fit for Falfurrias," said Geordie Pierson, Partner at Falfurrias Capital Partners. "We look forward to meaningfully building on what is already a significant and influential player in this space."

<u>BrightTower</u>, a leading M&A advisory service firm, represented Falfurrias in this transaction, and <u>K&L Gates LLP</u> served as legal advisors. Canaccord Genuity and Cooley represented Brainlabs as financial and legal advisors, respectively.





About Falfurrias Capital Partners

Falfurrias Capital Partners is a Charlotte-based private equity investment firm founded in 2006 by Hugh McColl Jr., former chairman and CEO of Bank of America; Marc Oken, former CFO of Bank of America; and Managing Partner Ed McMahan. The firm has raised \$2.2 billion across six funds and invests in growing, middle market businesses in sectors where the firm's operational resources, relationships, and sector expertise can be employed to complement portfolio company executive teams in support of growth objectives. Falfurrias Capital Partners employs a proprietary, research-based process called "Industry First" to identify markets with durable growth trends, construct a thesis based on research findings, and partner with management teams and companies to create strategic value. For more information, visit www.falfurriascapital.com.

About Brainlabs

Brainlabs was founded in 2012 by Daniel Gilbert when the former Googler spotted an opportunity to build an agency made up of engineers, statisticians and data scientists. Over the last 11 years, Brainlabs has supercharged its growth from 1 to over 850 Brainlabbers, delivering game-changing work for clients and becoming one of the world's largest independent digital media agencies. With its high performance approach to media, the agency has produced winning results for clients like Adidas, American Express, Estée Lauder Companies, Mars and WeTransfer. Brainlabs sold a minority stake to private equity company Livingbridge in 2019, when Gilbert decided he wanted to turn the digital marketing specialist into the biggest and best media agency in the world. Since then, Brainlabs has acquired and integrated eight agencies and expanded its international footprint beyond its London HQ.

