

Q3 2019

ComCap's perspectives: The rise of Print on Demand as an ecommerce tool and supply chain disruptor



COMCAP
Where commerce meets capital

An introduction to ComCap

- ComCap is a premier boutique investment bank focused on the intersection of commerce and capital, with key focus on B2B SaaS, B2C ecommerce, payments, mobile commerce, marketplaces and B2B services for retail technologies (IT and marketing services, in-store, fulfillment, logistics, call center, analytics, personalization, location intelligence)
- Headquartered in San Francisco with European coverage from London & Moscow, and LATAM coverage from Sao Paulo. Our firm works with mid-cap public companies on buy-side initiatives and public and private growth companies on financing and strategic M&A
- In addition to being the only boutique focused on disruptive commerce models, we differentiate by:
 - Bringing bulge bracket techniques to emerging models;
 - A strong and uncommon buy-side/strategy practice;
 - Deep understanding of industry drivers and synergy analyses;
 - Deep relationships across the sector; and
 - Worldwide coverage with closed transactions in the United States, Japan, China, the ASEAN region, Western and Eastern Europe and Latin America
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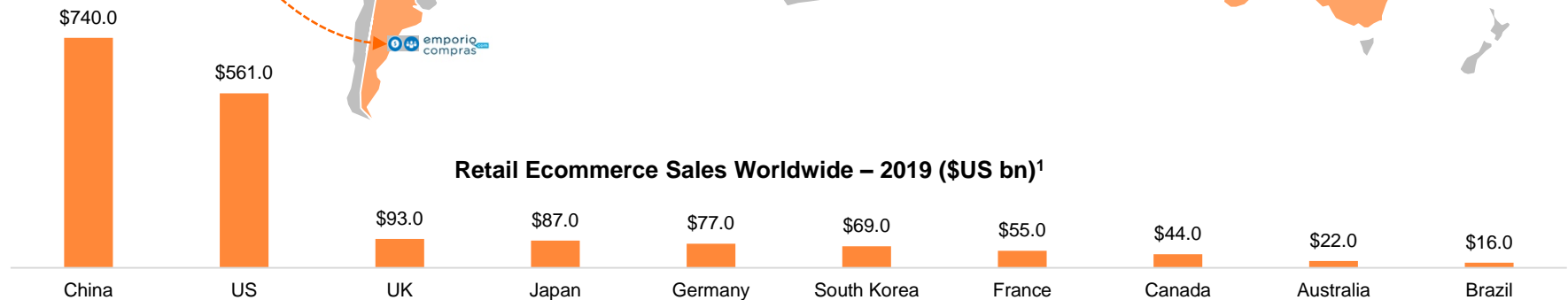
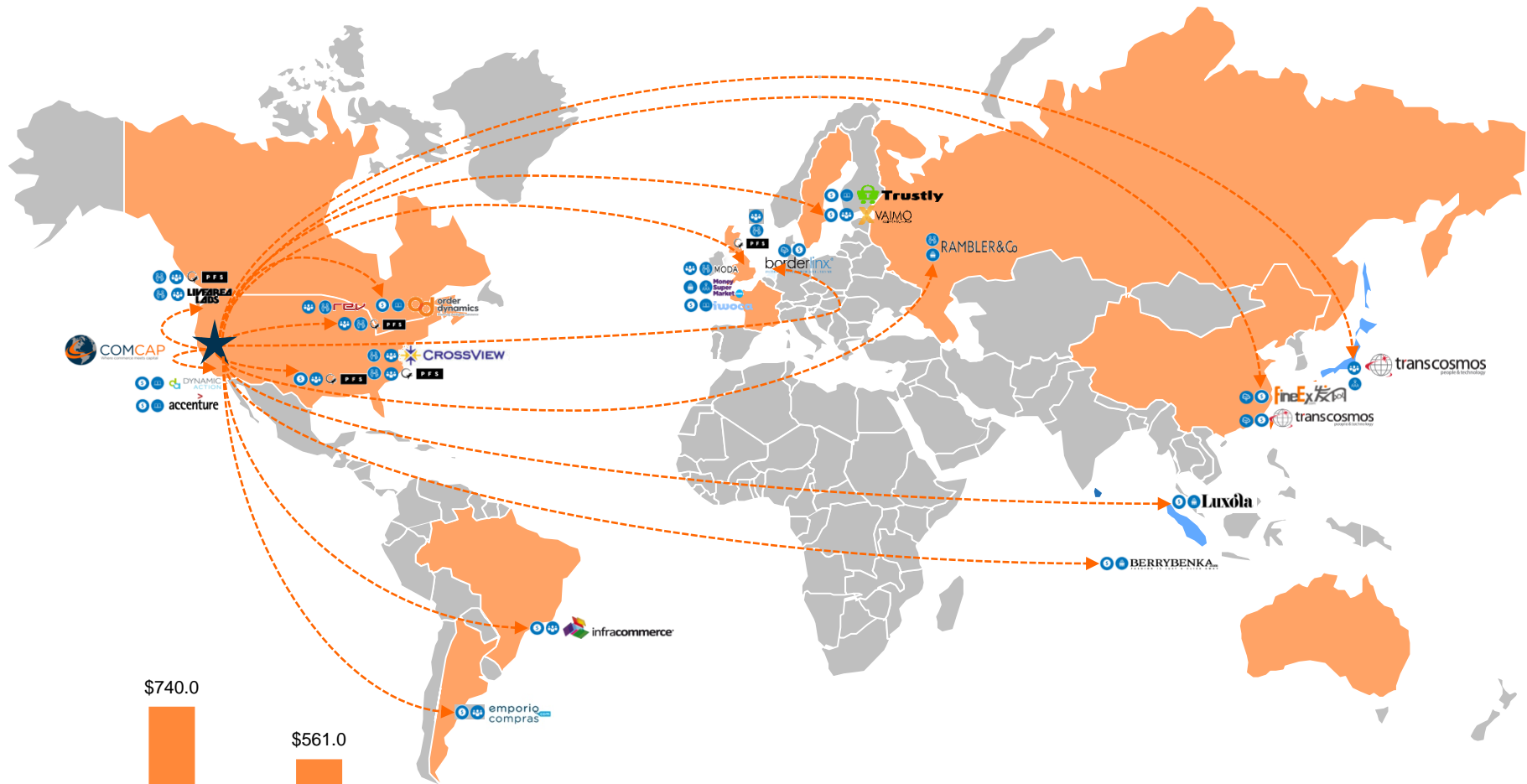


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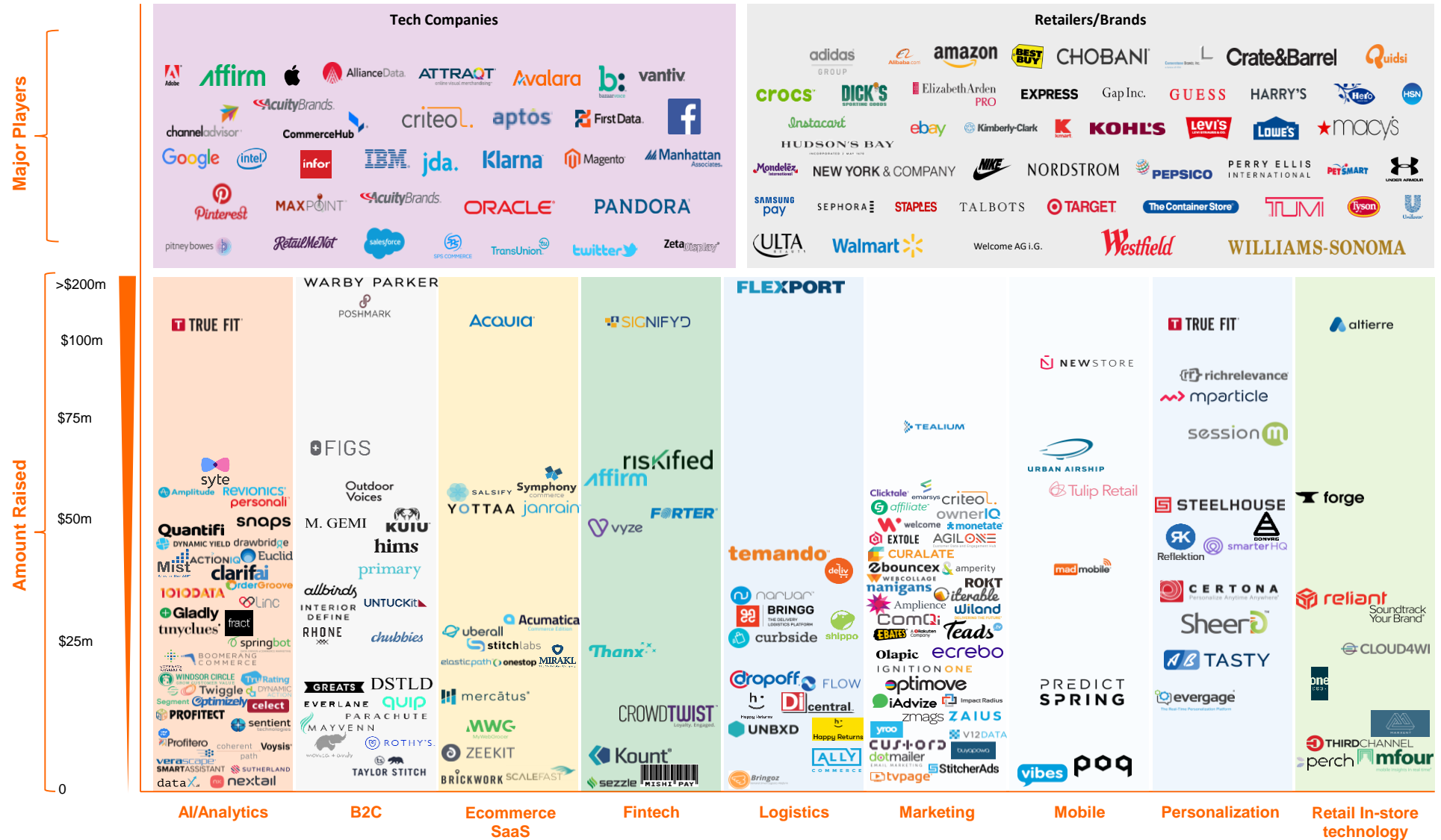
ComCap – Active in 14 countries, including 9 of the top 10 global ecommerce markets



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Where commerce meets capital

¹Source: Shopify Plus Ecommerce Playbook

ComCap's thematic landscape



Print on Demand (PoD): a growth frontier for retail ecommerce...



We are pleased to present our views on Print on demand, with the intent of bridging the gap between PoD disruptors, as well as financial and strategic investors

- PoD is increasingly playing a bigger role in retail ecommerce and this trend is likely to continue as new-age ecommerce and internet entrepreneurs look for innovative ways to compete with larger, established players
- Ease of use, low barriers to entry, and a near level playing field for new entrants is expanding the market, prompting even large companies to offer PoD products
- This opportunity offers brands with purely digital content a way to sell branded physical products to their audience without ever having to manage a supply chain or touch their physical inventory – enabling an entire generation of “long tail sellers” to establish low cost ecommerce operations
- Modern PoD’s short history and rapid evolution makes it a very dynamic environment
- Ecommerce-based PoD began with cards and photo-oriented images, and has continued to expand into additional consumer categories, growing its share of ecommerce GMV considerably
- As the overall ecommerce market expands, PoD is expected to grow at a faster rate
- Wins and losses in PoD investing abound as some players see massive exits, others falter, and new entrants seek to expand categories, differentiate their offerings, and take their share of the growing pie

... and why it matters

For investors

- There are print on demand categories of all sizes, growth trajectories, services offered, and stages of vertical integration
- Many serve complementary or adjacent markets, with others outright competing with one another
- With advancing technology and assets that could scale with the right platform, the market is ripe for consolidation
- There are numerous platform opportunities in market with tens of dozens of bolt-on acquisition targets

For strategics

- Customized, personalized, and rapidly delivered fashion is not a fad
- Even as products become more sophisticated and customized, manufacturers have reduced minimum order quantities to cater to a wider customer base
- Legacy supply chain players should move swiftly on these prevailing market trends and position themselves to capitalize on future technological developments in the space

For startups

- With Apollo's take-private of Shutterfly and subsequent rollup of Snapfish, investors are taking notice in the ripe opportunity for consolidation in the space
- Technology is rapidly evolving, and the opportunity to differentiate is fleeting. Startups in the space need to take stock of their IP and consider how they fit into a vertical integration of a larger platform
- ComCap's discussions with investors and strategics can provide insight into areas of emphasis for startups as they seek to maximize value in either capital raise or M&A scenarios

Print on Demand – Key themes and case studies

- p.8 The Print on Demand funding landscape
- p.9 A brief history of PoD
- p.13 Consumer preferences shaping industry trends
- p.14 The opportunity for growth
- p.16 Technological evolution and impact on PoD
- p.19 Company matrix & case studies
- p.24 History of consolidation, notable transactions, and profiles
- p.37 Public company trading multiples, M&A transactions, private placements

Select Print on Demand players funding landscape



Print on Demand: A brief history

- Despite the first digital printer being invented in 1993, by 2018 the digital printing industry had been estimated to be worth \$187.7 billion, just 25 years later
- As communication and printing technology have gone digital the commercial printing industry has become “too small” to matter, however, that has also coincided with continuous evolution and the development of new business models
- With a lower per-unit cost and small to no-minimum quantity batches, PoD is quickly becoming the method of choice for both emerging and established ecommerce operations
- With rising demand, technology has advanced rapidly to accommodate new product categories, primarily across accessories and forms of apparel

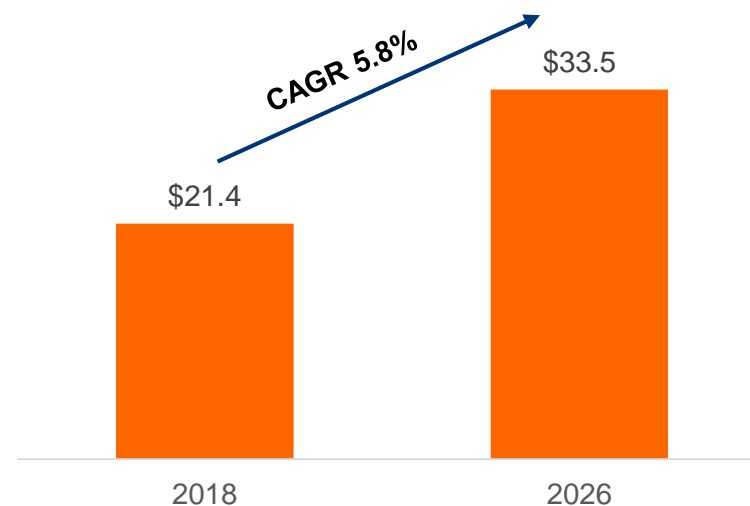


After rapid growth through the '90s & 2000s, the digital printing market is facing evolutionary challenges

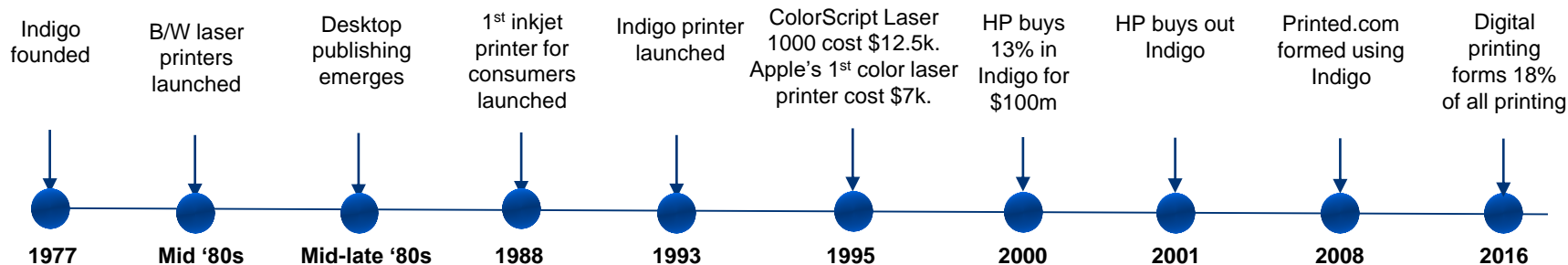
Overview

- Key growth drivers include technological advancement, growth in packaging and textile industries, and low per unit cost of digital printing, leading to lower minimum order quantities (MOQs)
- North America is currently the largest geographical segment of the market and is expected remain that way in the foreseeable future
- Owing to its small base, upgrades from legacy technology, and hosting of several large textile units, APAC is set to be the fastest growing market in the coming years
- The biggest challenge for the market is the high initial outlay which has resulted in resistance to the adoption of digital printing
- Rising demand for digital advertisements and e-books has slowed growth but with the growth in smartphone usage and digital displays, certain areas of the printing technology space are experiencing strong tailwinds

Global Digital Printing Market (\$bn)



Milestones in digital printing



Statistics say 'On demand' is in prime focus for consumers

1 out of 5 customers are willing to pay up to a 20% premium for personalized products & services

42%

Consumers who would be interested in customized products offered by established brands

22%

Customers willing to share personal data in return for a "more personalized" product or service

36%

Consumers who expect product and service customization by default

48%

Willing to wait longer for a customized product or service

50%

Consumers expressed interest in purchasing a graphic customized product in some categories

70%

Retailers are trying to personalize their in-store experience for consumers

55%

Gen Zers want the ability to design products that nobody else owns

TAM estimates by industry leaders

Etsy

~ \$155B



~ \$280B

cimpress™

~ \$100B

Mass Personalization

Mass produced with data-enabled personalization, with zero inputs from the customers, except purchasing history and online behavior
e.g.: Personalized shopping recommendations

Mass Customization

Products are mass produced and customer has limited customization options
e.g.: Customized Dell computers, Print on demand t-shirts, accessories in a new car

Bespoke

Products are fully customized based on customer specifications
e.g.: Custom tailored clothing

Personalization / Customization being offered at incremental levels



New consumer demands are fueling customization & on-demand supply chains

- After decades of growth through new store development, retailers are investing more in innovation and are thinking differently about how to respond to changing consumer preferences
 - In order to meet the needs of their customers, the marketplace for personalized goods & platforms that allow brands to create custom products is driving the creation of unique and differentiated business models
- Unlike the classical B2C relationship, customization allows companies to harness the insights provided by customer to better identify and capitalize on successful products
 - These new models create businesses with lighter or even negative working capital that can help fund their own growth
 - One new model, print on demand, bears none of the inventory or working capital requirements for product fulfilment, greatly reducing inventory risk
 - Gen Z continues to fuel this trend, taking interest in actively sharing their opinions, collaborating, and co-creating with brands
- Gen Z wants the ability to co-create an experience that is uniquely their own, stemming from an already individually tailored process

Customer Data



Capture more online data

Use engaging content, such as entertainment and live shows, to keep consumers online

Translate data into actionable insights

Integrate data from the entire value chain (including customer feedback, transaction data, and social media) into a single customer view

Access to distribution



Launch products through a rapid, asset-light approach

Distribute products exclusively through ecommerce channels

New product launches would be on a smaller scale, specific to individual business units, customer segments, or geographic markets

Flexible manufacturing



Use shorter production runs with faster turnaround time

Develop an agile supply chain in order to react quickly to changes in consumer demand and to economically produce a greater variety of products

Agile Product Development

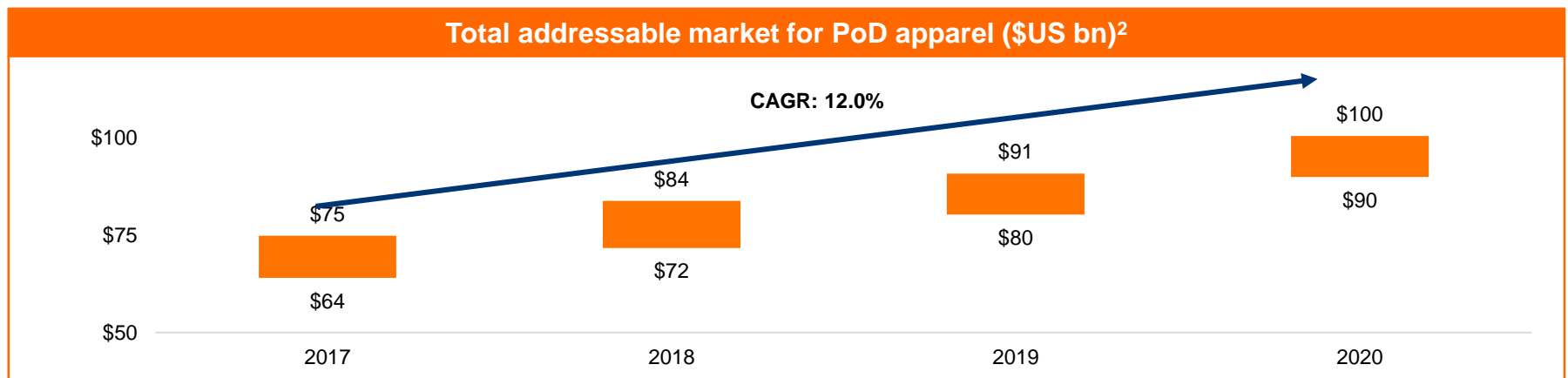
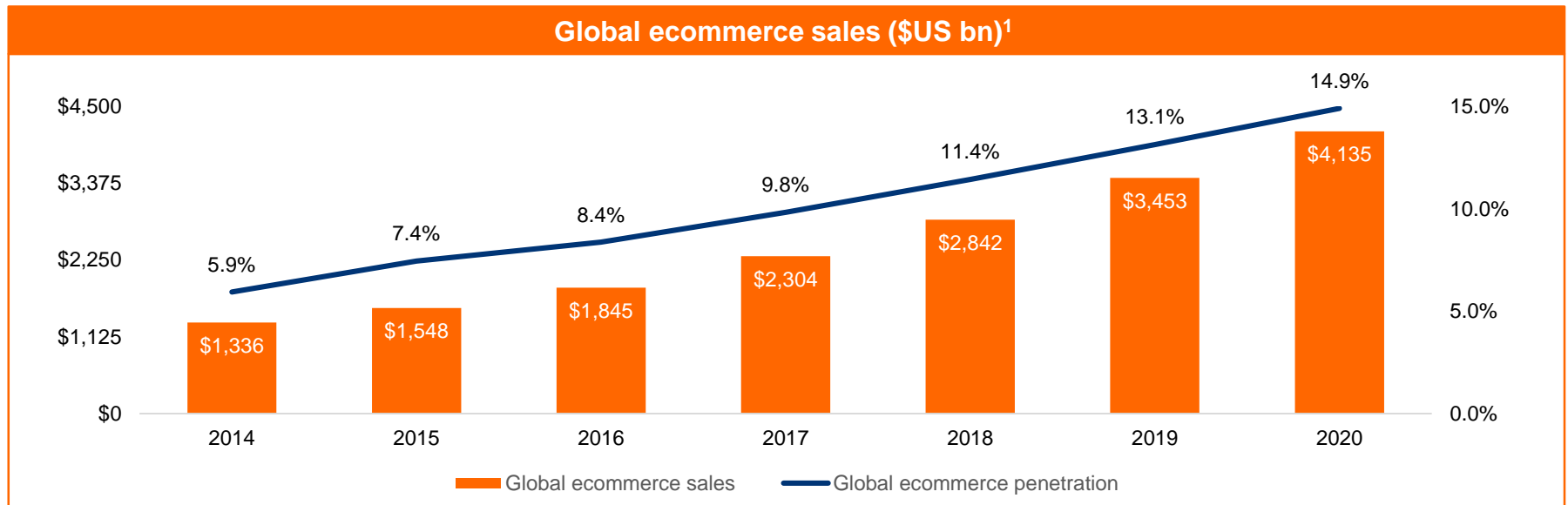


Focus on speed

Reduce product time to market and receive immediate feedback to capitalize on successful launches

The rise of customization makes agile and flexible supply chains key to modern retail strategy

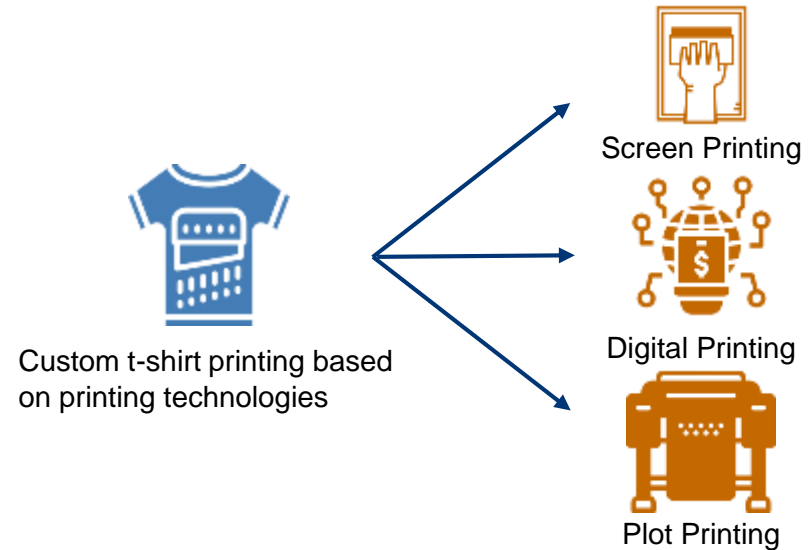
Print on Demand market opportunity



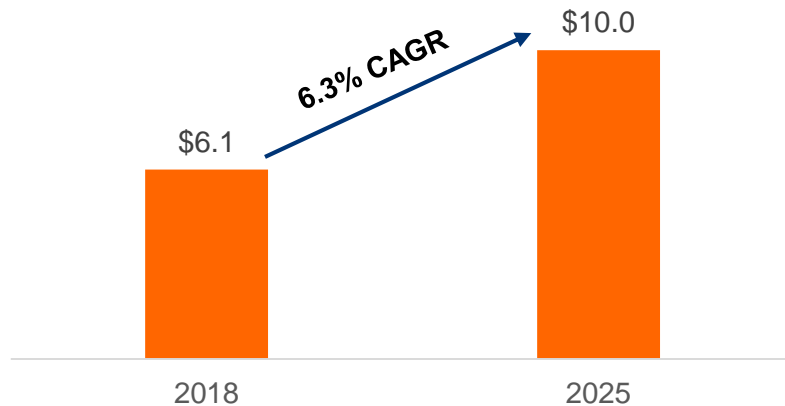
Continued growth in ecommerce provides strong, long-term tailwinds to the Independent Merchant & PoD verticals

Custom t-shirt printing is expected to witness considerable growth

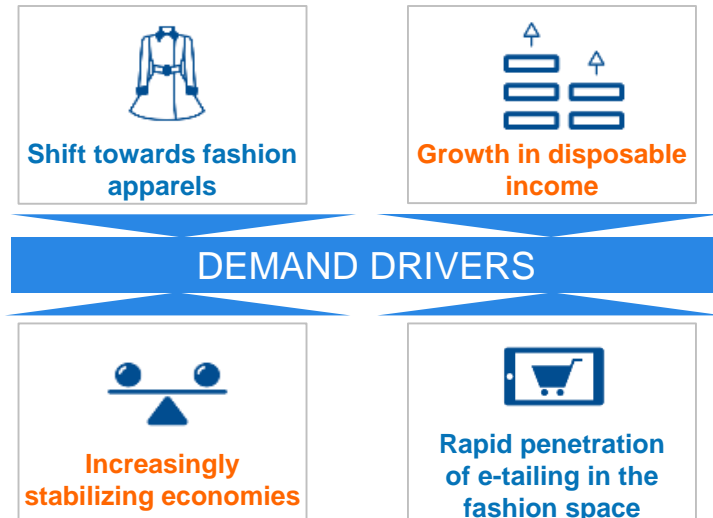
- The global market for custom T-shirt printing industry is expected to cross \$10 billion by 2025 at a CAGR of 6.3%
- As of 2016, screen printing was the most preferred printing technique, contributing 55% of the total revenue generated by the global custom t-shirt printing market
- There is a clear shift to digital printing across the industry due to the affordability and quick turnaround of printing art files onto fabric



Custom t-shirt printing market (\$bn)



Factors influencing the market



Various PoD component markets are on a growth trajectory

The US is expected to be the dominant market, but the APAC region will see the fastest growth

- While the overall growth in art sales has been nominal over the last 5 years, its online component has expanded at a CAGR of 31.8%
- Increasing popularity of trendy interior designs, along with the rise in gifting custom wall decor products for special occasions, are key factors driving the progression of the global Wall Décor market
- The Photo Printing & Merchandising markets are expected experience modest growth, largely driven by 3D printing
- Current market leaders include Snapfish, Cimpres N.V., Bay Photo Inc., and Shutterfly, Inc.
- The US is currently the largest market, but Europe is projected to claim the top spot by 2028 with a ~28% market share

Global Offline & Online Art Sales (\$bn)

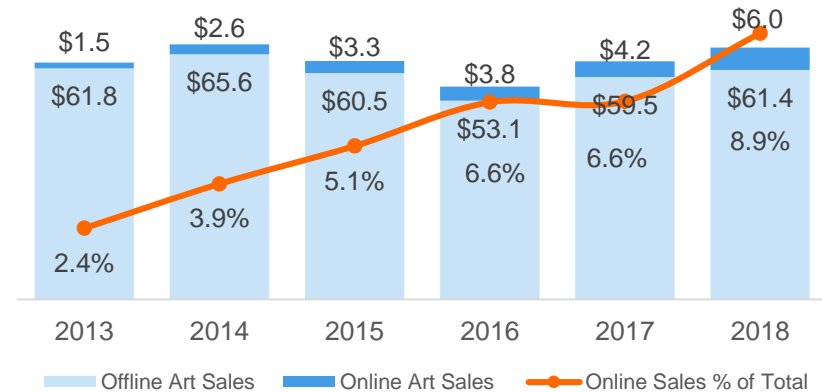
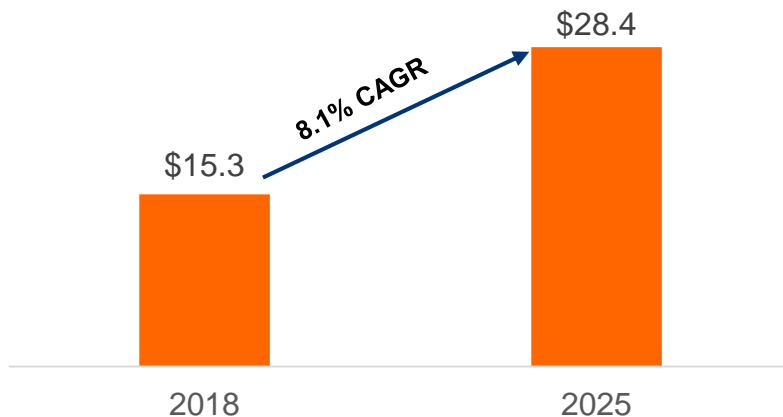
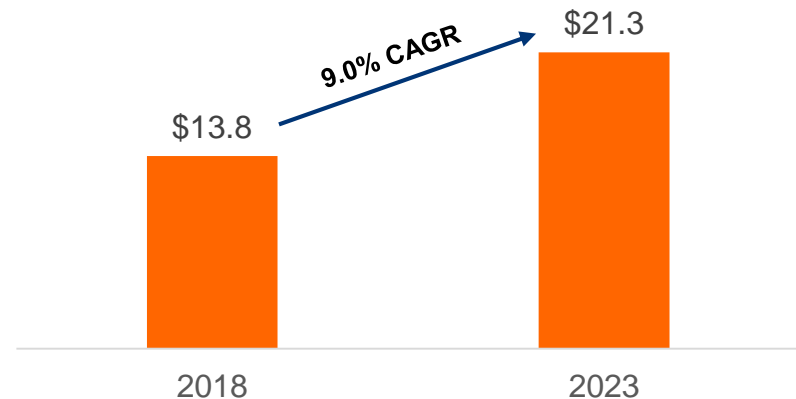


Photo Printing & Merchandising Market (\$bn)



US Wall Décor Market (\$bn)



Technologies shift in response to designs and order quantities

PoD companies have several choices when it comes to printing technology and while equipment is expensive, the industry is rapidly evolving

Screen Printing	Digital Printing or Direct-to-Garment	Sublimation
<ul style="list-style-type: none">• Process of pulling a layer of ink over a screen to produce a design• Requires a new screen for each design, causing incremental unit costs to be very low, but limits customization and is labor intensive	<ul style="list-style-type: none">• Similar to using a printer on fabric• As it prints one piece at a time, it allows wide design customization and supports intricate designs	<ul style="list-style-type: none">• Process of printing onto a special sheet of paper, and then transferring that image onto fabric
PROS <ul style="list-style-type: none">✓ Cost effective for large batches✓ Versatile design placement✓ Discounted pricing for higher volumes CONS <ul style="list-style-type: none">✗ Requires large upfront investment✗ Expensive for multiple colors✗ Can only print simple designs✗ Only one design per batch	PROS <ul style="list-style-type: none">✓ Extensive color options✓ Maximum detail in design✓ Suitable for small batches✓ Minimal upfront investment✓ Easily customized design CONS <ul style="list-style-type: none">✗ Not cost effective for extremely large batches✗ Limited design placement✗ No volume discounts	PROS <ul style="list-style-type: none">✓ Prints seam-to-seam (all over the garment)✓ Supports multiple color options✓ Maximum detail in design✓ Suitable for small batches✓ Prints use long-lasting ink CONS <ul style="list-style-type: none">✗ Not cost effective for extremely large batches✗ Not available on all types of garments✗ No volume discounts

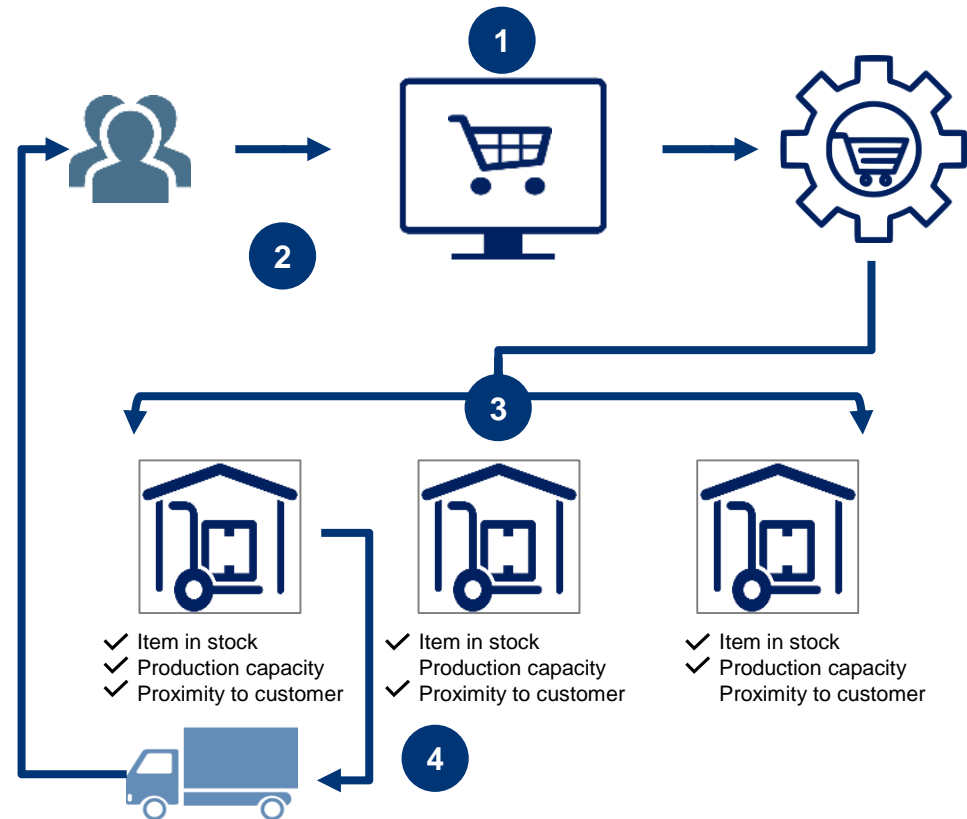
Due to its versatility, Digital Printing (or DTG for apparel) is the most widely using technology for PoD apparel today, yet as the technology advances and lower MOQs become the norm, sublimation will likely become more prevalent

Dropshipping has been a major catalyst for PoD growth

New business models provide an opportunity for thousands of independent entrepreneurs while expanding the ecommerce market

Independent Merchant Print on Demand business model

1. List custom product on own hosted site (Shopify) or 3rd party marketplace (Etsy)
2. Customer places an order and pays via integrated gateway
3. An order management system reviews the order and chooses the best supplier-partner based on inventory availability, production capacity, and proximity to the buyer
4. The order is printed, packed, and shipped directly to the customer, and the independent merchant is paid without ever investing to develop manufacturing capabilities



- ✓ The rise and success of the Print on Demand model of ecommerce is due in large part to the fact that it is very **easy to implement**, with literally hundreds of products listings, design tools, platforms and fulfillment providers readily available
- ✓ Independent merchants benefit from **low up-front costs** required to set up a store and begin selling and are **not required to maintain any inventory**

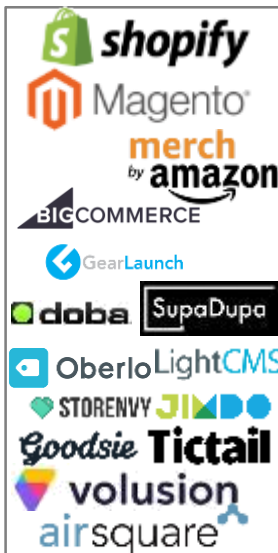
Three major platforms powering the growth of PoD & Dropshipping

What started out as a 2nd income source for entrepreneurs, has now gone mainstream

PoD & Dropshipping

Storefronts

- ✓ Ecommerce stores
- ✓ Ordering
- ✓ Printing apps
- ✓ Payment integration
- ✓ Shipment tracking
- ✓ Customer service



The Enablers

Targeted Ads

- Targeted ads
- Limited budget
- High engagement
- Option to test & revise
- Re-targeting



The Drivers

3PLs

- Faster than organic SEO
- Global & targeted reach
- Option to test & revise
- Re-targeting



- ✓ Order tracking & delivery
- ✓ Lower shipping rates
- ✓ Wide area coverage
- ✓ Warehousing
- ✓ Returns management
- ✓ Customer support

The Finishers

PoD is one of the fastest growing segments of the overall digital printing market



Select PoD players matrix



Services offered	<ul style="list-style-type: none"> Custom store front Design tools Production Marketing tools Shipping White label customer service 	<ul style="list-style-type: none"> Design tools Production Shipping 	<ul style="list-style-type: none"> Design tools Production Shipping Marketing support 	<ul style="list-style-type: none"> Design tools Production Group orders 	<ul style="list-style-type: none"> Design tools Production Warehousing & shipping of additional products
End products	<ul style="list-style-type: none"> Apparel Home décor Drinkware Accessories 90+ product categories in development 	<ul style="list-style-type: none"> Apparel Home décor Drinkware Accessories Stationery Stickers & signs 	<ul style="list-style-type: none"> Apparel Home décor Drinkware Accessories Stationery Stickers & signs 75+ products 	<ul style="list-style-type: none"> Apparel Home décor Drinkware Accessories Stationery Stickers & signs 	<ul style="list-style-type: none"> Apparel Home décor Drinkware Accessories
D2C or seller-enablement	<ul style="list-style-type: none"> Seller enablement 	<ul style="list-style-type: none"> D2C 	<ul style="list-style-type: none"> D2C 	<ul style="list-style-type: none"> D2C 	<ul style="list-style-type: none"> Seller enablement
In-house or outsourced manufacturing	<ul style="list-style-type: none"> Outsourced 	<ul style="list-style-type: none"> In-house 	<ul style="list-style-type: none"> Outsourced / In-house 	<ul style="list-style-type: none"> Outsourced / In-house 	<ul style="list-style-type: none"> In-house
Seller experience	<ul style="list-style-type: none"> Design and sell on your own custom storefront Design and sell on Shopify 	<ul style="list-style-type: none"> Design and sell on marketplace 	<ul style="list-style-type: none"> Design and sell on marketplace 	<ul style="list-style-type: none"> Design and buy 	<ul style="list-style-type: none"> Design and print / warehouse / ship Design and sell on Shopify and other
Minimum order	<ul style="list-style-type: none"> No 	<ul style="list-style-type: none"> No 	<ul style="list-style-type: none"> No 	<ul style="list-style-type: none"> Yes 	<ul style="list-style-type: none"> No

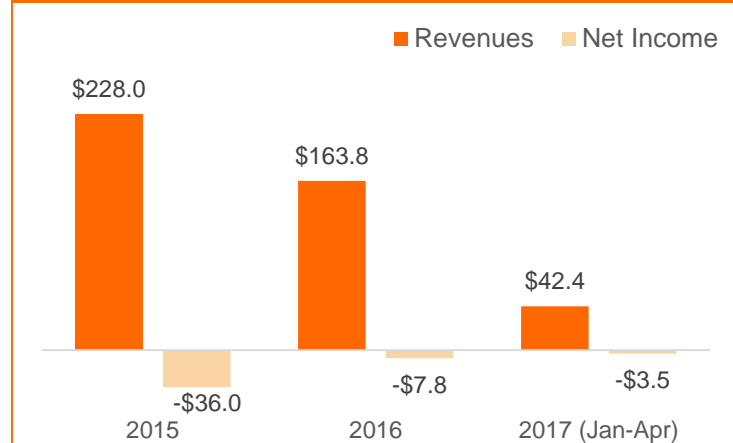
Teespring's initial rough ride on the startup rollercoaster...

Tough business lessons made Teespring a smaller but healthier company in 2019

Business Overview

- Teespring was founded in 2011, and was a trailblazer in the Print on Demand space, providing the tools to let sellers create custom t-shirt designs and sell them online with no inventory requirements
- Its platform handles ordering, payments, sourcing, printing, & drop shipping. By 2015, the company had reportedly raised over \$55m in venture financing at valuations of up to \$600m
- Teespring's business was largely supported by its sellers advertising on Facebook, however, Teespring's business took a hit when Facebook's ads became more expensive, and competitors with lower costs began to attract its sellers
- While the company was able to shrink losses due to layoffs, revenue declined from \$228 million in 2015 to \$154 million the next year, according to Crunchbase News and other sources, and was on a path to generate even less in 2017

Teespring's Revenues and Net Incomes (\$ Mn)



Journey to profitability

Decline of business

- Site traffic began to decline in mid-2015 amidst a change in Facebook algorithms and pricing structure
- Sellers began to leave the platform for more profitable channels or switch to less expensive competitors
- By the end of 2016, it was reported the company had accumulated losses of over \$90m

Turnaround

- Teespring diversified its revenue streams via partnerships with the NFL, Youtube, music merchandising companies, & integrated with many internet platforms (JD.com, Tmall) to provide multiple trajectories to its users
- Launched TeespringGo – a sourcing and fulfillment service
- Expanded into other custom items
- Created “Boosted Network” for users to advertise and sell their products
- Underwent a recapitalization in 2017, raising \$5m from existing backers and implemented multiple layoffs

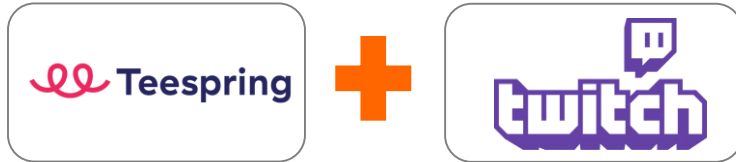
2019 update

- Teespring is now profitable and has returned to healthy growth levels
- An early trailblazer in the space, the company has a clear focus today on social commerce, with a goal of blending buying with entertainment in a seamless experience

... has rebounded and found success with a social-centric commerce model

Teespring teams up with Twitch to bring PoD merch to 15 million gaming streamers

Partnership overview



Partnership date: June 2019

"We are always seeking ways in which to bring more opportunities for creators to connect with their followers through industry firsts that keep up with the fast-paced demands of the incredibly influential Gen Z market. Content creators are bringing more and more innovation to the playing field, and we're working continuously to introduce newer and simpler ways for this young generation to build their brands and deliver for their fans."

- Chris Lamontagne, Teespring CEO

Teespring's content and commerce strategy

Many PoD services provide brand.com sites access to their technology and manufacturing networks, giving them the ability to sell garments via a brand.com site without holding any inventory. While Teespring was a pioneer in this space, it recently **refocused its business** model to where it believes the future of commerce is headed – **social selling**.

Teespring has been pivoting its business to support sellers with the ability to create unique content by **enabling selling** not on brand.com sites, but rather **via the platforms they are engaging their audiences on** – youtube, Instagram, etc.

Teespring is partnering with both content creators and their channels like Youtube and Twitch to **serve "content and commerce" together** by making the purchasing action a natural extension of content consumption, rather than directing the audience to a different website or channel.

Over 55 thousand Youtube content creators signed up for Teespring's partnership with Youtube last year, and in June of this year they launched a similar partnership with Twitch – the gaming live-streaming service with over 15 million active content consumers.

Partnership opportunity

- **Content is king:** With 15 million daily active viewers, the growth of Twitch has seen the platform move from a predominantly gaming streaming service to a platform for expanded lifestyle topics aimed at content-hungry Gen Z followers
- **Creator empowerment:** The service gives content creators new ways to monetize their channels, interact with their fanbases, and promote their brands
- **Commerce as loyalty:** The partnership enables users to design and sell products with the added option of making merchandise available exclusively for subscribers for the first time, encouraging new viewers to become followers of a user's stream and ultimately rewarding loyal fans with exclusive creator content



ONTHEGO (OTG) bring PoD to brick and mortar

Overview

Background

OTG provides a platform for customizing apparel & merchandise to over 100,000 customers in over 2,000 locations. The company, based in Canberra, Australia, was founded in 2012.

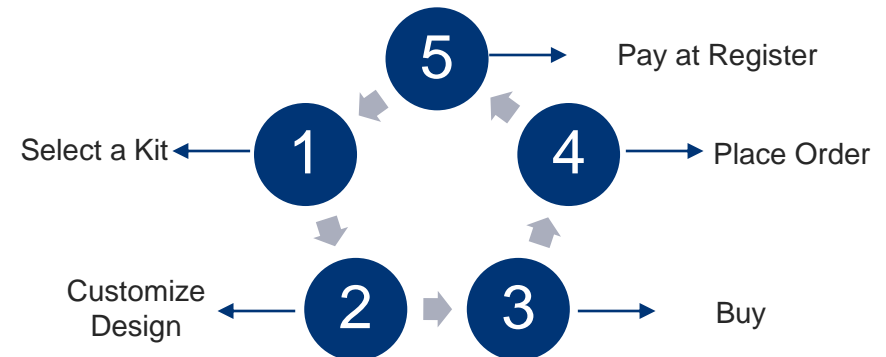
Service Description

- OTG offers a variety of ways for customers to engage with its platform. Customers can go online or use its in-store kiosks, choose styles, color options and branding options, to create their customized products
- OTG goes beyond printing, allowing customers to create custom-manufactured products from start to finish, including fit, cut, and materials through its proprietary software and vertically integrated owned factory
- Customers include schools & universities, sports teams, non profits, small to medium business, corporates, governments, health clubs and now retailers (through its white label offer)

Notable clients



How it works



- The kiosks allow shoppers to customize a set of clothes using a digital display including adding logos, personalizing the outfit, and, depending on the customer's needs and the products ordered, the goods will be manufactured either in Australia or overseas
- Customers can choose from a range of tee shirts, uniforms, sports jerseys, hats, duffel bags, backpacks, drink bottles or, in the case of Officeworks, customized business uniforms
- OTG sells its products via direct sales to online customers, education campuses, corporate clients, and sports bodies. It also offers white-labelled options for large sized retailers or department stores who want their "own brand"
- Fun Fact: CEO, Mick Spencer, made an appearance on the first season of Australia's Sharktank, not only securing a deal for the business, but generating awareness of the business all over Australia & region

Amazon is gearing up to take leadership in PoD with 'Merch by Amazon' (MBA)

Overview

Service Description

Founded in 2015, Amazon's on-demand apparel printing service collaborates with brands, celebrities, and influencers

- By printing t-shirts once an order comes in, content creators do not have to commit to a large inventory of merchandise upfront or worry about unsold inventory and can sell more products at full price
- MBA handles inventory, delivery, and sales for its partners, easing the logistics process
- Overall, given its massive logistics network, fast delivery speed, and dominant market share of ecommerce, Amazon has become an attractive partner for on-demand apparel printing for brands

Notable use cases



Case studies



Since opening its store on the site around 18 months ago, Dr. Seuss Enterprises has increased sales through MBA by 40%



Disney started printing shirts on-demand through MBA in 2016 and has increased orders and expanded offerings from all core franchises since

Key facts

- Amazon has been actively seeking patents in recent years to integrate fabric printing, cutting, sewing and dispatching to a customer in one computer-controlled process to streamline the operation
- With changing consumer habits, Amazon has overtaken Walmart as the most-shopped clothing retailer in the United States and outpaced Marks and Spencer Group PLC in Britain while also topping the Internet Retailer's 2018 Top 1000 list for apparel retailers

The PoD vertical has a history of consolidation and M&A

Apollo seeks to take Shutterfly private in a \$2.7 billion bid, and subsequently roll up privately-held Snapfish. The merger is likely to provide a well-diversified product and category range that is expected to contribute to customer growth

Cimpress has a history of acquiring players to bolster its customization capabilities

Jun APOLLO Shutterfly \$2.7b

Jun APOLLO Snapfish \$300m

Jan Zazzle GOOD STORM

Apr Cimpress easyflyer

Aug Cimpress VIDA \$29m

Sep Cimpress BUILD A SIGN \$208m

2007

2008

2014

2015

2018

2019

Apr Zazzle Confego

Jan Zazzle boundless

Oct REDBUBBLE
TEEPUBLIC

Zazzle has made multiple acquisitions of smaller tee-shirt design and branding solutions companies to fuel growth

The print on demand space is consolidating as major players seek look to capture market share and realize synergies. ComCap expects further consolidation as larger platforms seek to vertically integrate and acquire new customers.



PE firms Great Hill Partners and HarbourVest acquire majority stake in Custom Ink



Overview

- On April 3, 2019, Custom Ink announced an agreement under which its current majority shareholders, including Revolution Growth and SWaN & Legend Venture Partners, will exit their investments.
- Custom Ink is the leader in custom apparel and accessories for groups, events, and special occasions
 - Founded in 2000, the company is headquartered in Fairfax, VA and employs over 1,700 people
 - Its other locations include Charlottesville, VA; Reno, NV; Dallas, TX; and Los Angeles, CA
 - For 2018, the Company's revenue was estimated to be over \$400m, which has more than doubled since 2013
 - Custom Ink has raised over \$40m in VC funding in two rounds of equity and one round of debt funding

Management Commentary

"Great Hill in particular has an outstanding track-record of enhancing ecommerce and direct-to-customer companies that are similarly passionate about marketplace and workplace excellence. I think they're an ideal partner to help us continue to build out our unique brand, offering, and platform."

- Marc Katz, Co-founder & CEO of Custom Ink, April 4, 2019

"Custom Ink helped pioneer online customization and has created the industry's leading end-to-end digitally-powered platform for customized apparel. This is a terrific brand with outstanding operations in a highly-fragmented category where we see huge growth potential for the company. We're thrilled to back Marc and the team and are excited to help Custom Ink extend its market leadership, both organically and inorganically."

- Michael Kumin, Managing Partner at Great Hill Partners, April 4, 2019

Strategic Rationale

- Provides an exit to existing majority shareholders, Revolution Growth, co-founded by sports mogul Ted Leonsis, and SWaN & Legend, led by Fred Schaufeld.
- Custom Ink's next phase of growth is expected to be driven by expansion into brick-and-mortar retail, following a trend established by Amazon and other traditionally ecommerce-focused companies in recent years
- In 2018, Custom Ink acquired Represent, a custom merchandise marketplace for influencers and celebrities to connect with their audiences via limited time on-demand campaigns. With the new backing, Custom Ink may be looking to make additional strategic acquisitions
- Great Hill partners are expected to bring on board their capabilities and expertise of owning and growing digitally focused businesses. The firm has a long history of backing native digital and omni-channel brands, such as Wayfair, Bombas, The RealReal, and The Shade Store
- In addition, Custom Ink's strong brand presence, and their community-driven model was seen to be complementing Great Hill Partners' earlier investments in the online retail space.
- Industry experts estimate Custom Ink to be valued at over \$500m. With estimated FY18 revenue of ~\$400m, the EV/Revenue multiple is estimated to be at least 1.25x.



Walmart forays into PoD with Art.com acquisition

Overview

- On December 6, 2018, Walmart announced the acquisition of online art dealer and print on demand art supplier, Art.com, for an undisclosed amount
- Art.com is the largest online retailer in the art and wall décor category with 2 million curated images
- Founded in 1998, the company is headquartered in Emeryville, CA and employs nearly 1,200 people
- Till date, it has served more than 19 million customers in 150 countries
- Art.com Inc. runs two sites in the USA – Art.com and AllPosters – and has a strong international presence with 25 localized sites in Europe, Japan, Canada, Australia, Mexico and South America
- Art.com has raised over \$56m in four rounds of equity funding

Management Commentary

“Art.com is the world’s largest online retailer in the art and wall décor category, and the addition of its two million curated images – including a growing exclusive assortment – will create an even richer, deeper customer experience across our home category.





This announcement is just another example of how we’re establishing Walmart.com as a specialty retail destination for the home – giving customers the inspiration and confidence to make a beautiful home possible for everyone. I’m so excited to welcome Art.com as a part of that mission.”

- Anthony Soohoo, SVP and Group General Manager, Home, Walmart U.S. eCommerce, December 6, 2018





Strategic Rationale

- The deal continues a series of recent ecommerce acquisitions by Walmart in order to shore up its online portfolio. These include deals for ModCloth (\$75 million), Bonobos (\$310 million), Moosejaw (\$51 million), ShoeBuy, Jet.com (\$3 billion) and Hayneedle, in addition to the more recent additions of apparel and lingerie brands, ELOQUII and Bare Necessities
- With annual revenue of over \$300 million, and a customer base in over 150 countries, Art.com is the segment leader of online art retail. The deal is therefore in line with Walmart’s stated policy of acquiring segment leaders.
- As most of Art.com’s portfolio is PoD, Walmart will not have to carry much additional inventories
- Walmart will add Art.com assortments to Walmart.com, Jet.com and Hayneedle.com, allowing large cross-selling opportunities across all customer groups
- The acquisition of Art.com gives Walmart the opportunity to diversify its customer base. Typically, the Walmart customer belongs to the middle-class, earning just over \$50K/year. However, Art.com items cater to the luxury spending market, where a typical art item starts from \$100 and upwards.





Select Print on Demand Company Profiles

Company	Profile	Capabilities
	4imprint Company that focuses on direct marketing of promotional products in the US, Canada, and UK Founded: 1987 HQ: London, UK Total Funding: NA	Business Highlights: <ul style="list-style-type: none"> Creates and distributes promotional products for customers with a catalogue containing products ranging from apparel, auto and home tools, bags, drinkware, food and candy, awards, stationary, toys, and novelties among others Key partners include Buttine Exhibition Insurance, ListeNation
	ApliIQ First and only private label dropshipping provider offering retail ready fashion apparel products Founded: 2009 HQ: Los Angeles, CA Total Funding: \$270K	Business Highlights: <ul style="list-style-type: none"> Operates a retail store that allows customers to purchase a wide range of apparel and accessories, allowing for customization by garment type, size, colour & fabric; and upcycle clothes by adding fabric to the original product Key partners include Shopify and ShipStation
	Awesome Merchandise Provides customized and on-demand printed merchandise Founded: 2005 HQ: Leeds, UK Total Funding: £654.9K	Business Highlights: <ul style="list-style-type: none"> Offer a wide range of customized products including apparel, posters, business cards, and various accessories that can be printed on demand Key customers include Drew Milward, Zara Khaliq, Anastasia Tasou, Big Scary Monsters, Topshelf Records, Sony, Levis, Microsoft
	Bonfire A design and technology company specializing in custom apparel Founded: 2012 HQ: Glen Allen, US Total Funding Amount: NA	Business Highlights: <ul style="list-style-type: none"> Allows customers design their own apparel such as t-shirts, tank tops, and V-necks to create customized products for various organizations Bonfire's primarily customer base is centered around cause-based organizations, however, its rebranding in 2016 expanded the platform to serving for profit organizations Last year marked the launch of Supply by Bonfire allowing any type of customer to order premium custom apparel directly from Bonfire





Select Print on Demand Company Profiles

Company	Profile	Capabilities
	Circle Graphics Producer of grand and large-format digital graphics Founded: 2000 HQ: Longmont, CO Total Funding Amount: NA	Business Highlights: <ul style="list-style-type: none"> Offers digital Printing, out-of-home advertising, wall decor, and business signs Key customers include HBO, Panera, Nike, Subway, Sam's Club, IKEA, Jaguar, Verizon, McDonald's, Starbucks, Walmart, Coca-Cola, and Toyota
	Curioos Online marketplace for artists' designed product Founded: 2011 HQ: New York, NY Total Funding: \$2.4m	Business Highlights: <ul style="list-style-type: none"> Offer a broad range of products including wall art, apparel for men & women, and recently introduced home furnishings such as pillows and blankets Platform was designed to display products designed by established and new artists
	Custom Ink Operates website that enables people to design and order custom decorated products for their groups and events Founded: 2000 HQ: Fairfax, VA Total Funding Amount: \$40.6m (recently acquired by Great Hill Partners)	Business Highlights: <ul style="list-style-type: none"> Standard products include T-shirts, hoodies, active wear, drinkware, jackets, and hats among others Also enables customers to create individualized products from their assortment Serves student groups, bands, small businesses, corporations, and family reunions Key customers include Adidas, Carhartt, Champion, Columbia, Nike, The North Face, and Under Armour
	Digital room Provides various branded marketing products through its e-commerce platform Founded: 1997 HQ: Van Nuys, CA Total Funding Amount: NA	Business Highlights: <ul style="list-style-type: none"> Owns multiple brands serving different areas of the online printing market <ul style="list-style-type: none"> Uprinting provides offset, digital and large format printing options PrintRunner offers graphic designs, custom prints, mailing and free file checking PrintPlace specializes in professional, full color, digital and offset printing NextDayFlyer and 48HourPrint offer high quality prints for time sensitive projects LogoSportwear provide custom apparel and accessories





Select Print on Demand Company Profiles

Company	Profile	Capabilities
	Fanatics Online retailer providing officially licensed sports merchandise Founded: 1995 HQ: Jacksonville, FL Total Funding Amount: \$1.7bn	Business Highlights: <ul style="list-style-type: none"> Offers wide range of officially licensed sportswear, sports equipment and other merchandise Products are primarily sold through the Fanatics and FansEdge brands with the Fanatics Authentic and SportsMemorabilia.com brands selling sports collectibles and memorabilia Key partners include the NBA, MLB, NBA, NHL, and NASCAR
	Fine Art America An online marketplace that allows artists to sell products to customers globally Founded: 2006 HQ: Santa Monica, CA Total Funding Amount: NA	Business Highlights: <ul style="list-style-type: none"> World's largest art marketplace and print on demand technology company Sell a range of products customizable products including wall art, Home décor, lifestyle, technology accessories, and canvas prints sourced from artist designs It has 14 global production facilities in 5 different countries running 24 hours per day
	Fresh Prints Fresh Prints is an apparel and fashion company specializing in customized apparel Founded: 2009 HQ: New York, NY Total Funding Amount: NA	Business Highlights: <ul style="list-style-type: none"> Wide range of individually customizable products offered including t-shirts, tanks, jackets, polos, hats, accessories, and sweaters Primarily caters to collegiate organizations such as fraternities, sororities, student groups, university administration, intramural teams, and individuals
	GearLaunch An end-to-end ecommerce platform for independent merchants, allowing sellers to design and sell print on demand merchandise via their own white label storefront Founded: 2013 HQ: San Francisco, CA Total Funding Amount: \$4.8m	Business Highlights: <ul style="list-style-type: none"> Provides tools to create custom store fronts along with tools focusing on other areas of a customer's business including design, production, marketing, shipping, white label customer service, and analytics On the production side, the company offers customers a broad range of products ranging from apparel to wall art to home decor GearLaunch's partnership with Shopify allows for easy integration onto the Shopify platform and offers access to a larger toolkit





Select Print on Demand Company Profiles

Company	Profile	Capabilities
	Global Threads A custom print apparel company Founded: 2015 HQ: Dallas, TX Total Funding Amount: \$82K	Business Highlights: <ul style="list-style-type: none"> Provides a platform to design customizable T-shirts where graphic designers take the body of the design to create real t-shirts Some of the top brands on the platform include Bella + Canvas, Next Level and AllMade apparel Key customers include PWC, Wework, Zunte, Nordstrom, At&T, and Chewy
	Gooten Gooten is an automated fulfillment and store operations solution for fast growing-online stores. Founded: 2012 HQ: New York, NY Total Funding Amount: \$8.1m	Business Highlights: <ul style="list-style-type: none"> Gooten is a fast-growing print on demand platform that integrates with major ecommerce marketplaces like Shopify, Etsy, and Amazon, enabling businesses to sell on multiple channels without stocking large volumes of inventory The company manages a distributed software platform that connects with 40 different manufacturing partners, aggregating supply and demand to ensure that their customers' products are always manufactured on time and accurately
	Ink Garden Allows customers to create high-quality, low-cost customized products Founded: 2011 HQ: Beltsville, MD Total Funding: NA	Business Highlights: <ul style="list-style-type: none"> Provides easy-to-use online customization tools with more than 3,500 designs at reasonable prices Offers products across various categories such as drinkware, office, home & wall décor, cards & stationery and awards & recognition
	InkLocker Leading global cloud-based printer platform designed apparel designers Founded: 2016 HQ: Los Angeles, CA Total Funding: \$1.5m	Business Highlights: <ul style="list-style-type: none"> Offer software that allows Print shops to streamline production, outsource jobs, and integrate across multiple sales channels like Shopify Provides Direct-to-Garment (DTG) service allowing ecommerce marketplaces, enterprise promotions, gaming companies, global brands, and other customers' orders to be printed, fulfilled, and shipped by on-demand by a global network of fulfillment centers


Select Print on Demand Company Profiles

Company	Profile	Capabilities
 jakprints	Jakprints Specializes in custom apparel, full color, and sticker printing services Founded: 1999 HQ: Cleveland, OH Total Funding: NA	Business Highlights: <ul style="list-style-type: none"> Provides in-house designs where a team of graphic designers work with customer to lay out a custom design process for all of their printing needs Specifically offer custom solutions for apparel, accessories, stickers, labels, banners, signage, and more Key customer base is comprised of designers, musicians, and artists as well as leading brands including Adobe, CBS, Delta Airlines, Spotify, Roku, Nike, and HBO
	Juicy Creative communications agency serve small to mid-sized businesses Founded: 2007 HQ: Miętowa, Gdynia Total Funding: NA	Services offered: <ul style="list-style-type: none"> Offers wide range of marketing and customer service solutions including name generation, logo design, website development, and marketing support
	Kotis Design Turnkey solution for branding and management Founded: 2001 HQ: Seattle, WA Total Funding: NA	Business Highlights: <ul style="list-style-type: none"> Shop platform providing customers with screen printing, embroidery, cut and sew, and knitting of branded merchandise Technology platform offers merchandise management software with emphasis on inventory management and marketing support Creative platform allows customers to co-design custom apparel and accessories Key customers include Alaska Airlines, Amazon, Twilio, Docker, Facebook, Goose Island, Premera Blue Cross, and the Leukemia & Lymphoma society
	Merchly Provider of high-quality custom sports apparel Founded: NA HQ: Pennsauken Township, NJ Total Funding: NA	Services offered: <ul style="list-style-type: none"> Designs and produces premium quality custom athletic t-shirts, sweatpants, and workout shorts for kids and adults Other complementary brands include CD Baby, world's largest online distributor of indie music, and Disc Makers, world's largest disc manufacturer for indie artists





Select Print on Demand Company Profiles

Company	Profile	Capabilities
	Mimeo Provides on demand printing services that allows customers to submit their digital documents, proof and print them Founded: 1998 HQ: New York, US Total Funding: \$46m	Services offered: <ul style="list-style-type: none"> Provides four primary offerings: <ul style="list-style-type: none"> Mimeo Print offers on-demand printing services with next day delivery Mimeo PrintX offers local printing for the marketing needs of global brands Mimeo Marketplace offers a turnkey solution for branding and product previews Mimeo Digital offers easily accessible, secure digital content distribution services Key Customers include Snapfish, SumTotal, Kodak, Master Card, PrintingForLess.com, Mixonic, SmartDraw, Proposal Software
	Minted A lifestyle brand and design marketplace Founded: 2007 HQ: San Francisco, CA Total Funding: \$297.1m	Business Highlights: <ul style="list-style-type: none"> Crowdsources fresh and unique graphic design and artwork from independent artists and sells as products addressing the stationery, art, home decor, and digital cards markets It uses technology to allow consumers to discover great creative talent, making Minted a place where artists can learn, gain exposure, and build their businesses
	Mintees.com Mintees.com is an online t-shirt and apparel design community Founded: NA HQ: NA Total Funding: NA	Business Highlights: <ul style="list-style-type: none"> Offers a platform for both established and new designers to display and sell their proprietary designs for t-shirts The company is a collaboration with Connecticut-based designer Rob Dobi and the merchandising and branding services platform AKT
	Nineteenth Amendment Production management platform for on-demand, quick-turn manufacturing in the USA Founded: 2013 HQ: New York, NY Total Funding: NA	Business Highlights: <ul style="list-style-type: none"> Product development and production management platform helping brands produce sustainably on-demand with no minimum order sizes Smart PLM offering allows brands to pre-sell items directly to their shoppers, connecting with a network of manufacturers, and produce transparently on-demand Companies clients span a wide from bands as large Disney and Macy's to small designers looking to launch their first products





Select Print on Demand Company Profiles

Company	Profile	Capabilities
	On The Go Sports Provides customized sports wear and uniforms online Founded: 2010 HQ: Canberra, AU Total Funding: NA	Business Highlights: <ul style="list-style-type: none"> ▪ Creative ecosystem for custom branded apparel and accessories ▪ Creates custom goods from scratch – including fabric and fit, as well as PoD ▪ Leverages high tech, innovative methods including proprietary Tek Sublimation, 3D embroidery, rubber and screen prints, digital transfer, and vinyl and heat press tools ▪ Has white label and omni channel solutions, including in-store kiosks for ordering ▪ Key customers include LinkedIn, fitbit, Unicef, International Rugby Board, Hockeyroos, Hockey Australia
	Photobox Group Leading digital consumer service for personalized products and gifts Founded: 2000 HQ: London, U.K. Total Funding: NA	Business Highlights: <ul style="list-style-type: none"> ▪ Contains multiple brands with various offerings: <ul style="list-style-type: none"> ▪ Photobox creates photo-based products including prints, wall art, cards, mugs, cases, calendars and more ▪ Moonpig is a gifting service that offers personalized gifts, cards, and flowers ▪ Hofmann offers liturgical books and traditional photo albums to customers ▪ posterXXL provides large scale photo prints and posters ▪ Greetz is also a gifting service that offers personalized balloons, cakes, beverages, and chocolate
	Printful On-demand fulfilment company offering ecommerce warehousing & drop shipping services Founded: 2013 HQ: Charlotte, NC Total Funding: NA	Business Highlights: <ul style="list-style-type: none"> ▪ Allows consumers to create and sell custom products online via easy print on demand drop shipping, warehousing, and order fulfilment ▪ Other offerings include in-house design, photography, video, and ecommerce store setup services ▪ Key partnerships include Shopify, Woo Commerce, Amazon, and eBay
	Printify Marketplace connecting ecommerce merchants and on-demand manufacturers HQ: San Francisco, CA Total Funding: \$4.1m	Business Highlights: <ul style="list-style-type: none"> ▪ Merchants create and sell custom products with their design. print on demand producers print one item at a time and drop-ship directly to end customers on behalf of a merchant's store via an automated process ▪ Key partners include Shopify, WooCommerce, Etsy, and eBay



Select Print on Demand Company Profiles

Company	Profile	Capabilities
	Printsome On-demand customized apparel printing agency Founded: 2013 HQ: Barcelona, Spain Total Funding: \$197.7k	Business Highlights: <ul style="list-style-type: none"> ▪ Leverages a wide range of printing techniques such as screen printing, DTG printing, embroidery, and transfer printing to create products ▪ Products include t-shirts, hoodies, jumpers, polos, vest tops, workwear, headwear, sportswear, and bags among others ▪ Key partners include Braintree, PayPal, American Apparel, B&C, Bella Canvas, Fruit of The Loom and Gildan
	RushOrderTees.com A nationwide leader in custom apparel Founded: 2002 HQ: Philadelphia, PA Total Funding: NA	Business Highlights: <ul style="list-style-type: none"> ▪ Offers screen printing, embroidery, direct to garment, rush delivery, design review & repair, and team personalization services among others ▪ Key customers include Target, Google, Amazon, Whole Foods, Verizon, Cisco, The Home Depot, Microsoft, HBO, NASA
	Spoonflower Online community built around fabric and textile design Founded: 2008 HQ: Durham, NC Total Funding: \$25M	Business Highlights: <ul style="list-style-type: none"> ▪ Provides custom fabric, wallpaper, and gift wrap printing with no minimum order sizes ▪ Also offers a marketplace of thousands of unique fabric and wallpaper designs by independent artists from all over the world where ▪ Crafters and small businesses use custom fabric, wallpaper and gift wrap from Spoonflower to make quilts, clothes, pillows, dolls, blankets, and framed textile art
	Spreadshirt Ecommerce company offering print on demand for clothing and accessories Founded: 2002 HQ: Leipzig, Germany Total Funding: \$12.7m	Business Highlights: <ul style="list-style-type: none"> ▪ Allows customers to customize individual products ranging from apparel and accessories to home and living products ▪ Customers are also able to select pre-existing designs on the platform on over 220 different products ▪ Company is active in 18 markets, available in 12 languages and operates five global production sites primarily

Select Print on Demand Company Profiles

Company	Profile	Capabilities
	Swag.com Helps companies create high quality promotional products Founded: 2017 HQ: New York, NY Total Funding: \$1.0m	Services offered: <ul style="list-style-type: none"> Offers a wide range of products including water bottles, umbrellas, shirts, jackets, USB drives, and bags along with items from established brands like Patagonia Key customers include Facebook, Google, Target, Starbucks, McDonalds, Netflix, TechCrunch, WeWork, AOL, Amazon, Walmart, and Mercedes-Benz
	Teespring Turnkey solution for all aspects of commerce business Founded: 2011 HQ: San Francisco, CA Total Funding: \$61.9m	Business Highlights: <ul style="list-style-type: none"> Offers an integrated platform for custom product sellers including tools for marketing support, partnership integrations, order production, fulfillment, and customer service Key customers / partners including Illicit Clothing Co, David Ortiz Official Store and Love Owly Design
	TeePublic, acquired by Redbubble A platform for custom apparel and designs Founded: 2013 HQ: San Francisco, CA Total Funding: NA	Business Highlights: <ul style="list-style-type: none"> Provides a platform for independent artists to sell unique, customizable products while handling product production, fulfillment, and customer service support Some of the products offered include art prints, phone accessories, and home goods via a branded storefront
	Threadbird Custom printed t-shirt and apparel company Founded: 2008 HQ: Orlando, FL Total Funding: NA	Business Highlights: <ul style="list-style-type: none"> Specializes in high quality discharge, waterbase, and plastisol printing for brands, clothing companies, and businesses among others Offers a wide range of products including t-shirts, tank tops, pullover and zipper hoodies, V-neck t-shirts, outerwear, raglans, rangers, sweatshirts, long sleeves t-shirts, polos, and more Key customers include Facebook, LinkedIn, Dribbble, YouTube, Cisco, Buzzfeed, Disney Pixar, WiX, Google, LiveNation, and Shutterstock

Select Print on Demand Company Profiles

Company	Profile	Capabilities
	Threadless Community-driven apparel design platform Founded: 2000 HQ: Chicago, IL Total Funding: \$25m	Business Highlights: <ul style="list-style-type: none"> Platform selects individual designs created by independent artists to create customized products such as t-shirts, mugs, blankets, framed prints, skateboards, beanies, pillows, towels, duvets, and tapestries The company started as a t-shirt company has since expanded into a full line up of apparel, accessories, home decor, and now footwear canvases
 Zazzle	Zazzle Marketplace of custom products created by designers Founded: 1999 HQ: Redwood City, CA Total Funding: \$46M	Business Highlights: <ul style="list-style-type: none"> Platform enables independent designers and artists to create custom products and either sell the designs or the products themselves to customers in the marketplace Key customers include Disney, Marvel, Looney Tunes, DC, Harry Potter, Little Pony, Getty images, Sesame Street, Nickelodeon, Coca Cola and Hallmark



Public companies in the PoD space

(\$USD millions, except per share amounts)

Company (FYE)	Trading Performance			FD Capitalization			Trading Multiples				Operating Statistics				
	Stock		%52W	Equity	Net	Enterprise	EV /		EV /		Rev. Growth		EBITDA Margin		LTM
	Price	8/13/2019		Market	Cash		Revenue	EBITDA	CY18 /	CY19 /	CY18E	CY19E	CY17	CY18	CY18E
			Low	High	Value	(Debt)	Value								
Customization, Imaging and Printing															
Cimpress N.V. (IE)	\$121.52	165%	83%	\$3,601	(\$1,203)	\$4,803	1.8x	1.7x	14.7x	10.5x	9.9%	5.6%	12.2%	16.2%	49.1%
Shutterfly, Inc. (US)	\$50.77	145%	65%	\$1,746	(\$918)	\$2,663	1.4x	1.2x	6.9x	8.7x	64.8%	9.3%	19.6%	14.3%	50.2%
R.R. Donnelley & Sons Company (US)	\$1.92	115%	28%	\$136	(\$2,124)	\$2,260	0.3x	0.4x	5.1x	5.1x	(2.0%)	(5.6%)	6.6%	7.0%	19.0%
1-800-FLOWERS.COM, Inc. (US)	\$19.26	193%	88%	\$1,203	\$111	\$1,092	0.9x	0.8x	13.0x	12.1x	4.5%	6.5%	6.9%	7.0%	42.2%
LSC Communications, Inc. (US)	\$1.27	149%	10%	\$34	(\$1,008)	\$1,042	0.3x	0.3x	3.8x	5.1x	6.2%	(8.1%)	7.2%	5.9%	13.8%
Ennis, Inc. (US)	\$19.96	115%	91%	\$534	\$39	\$495	1.3x	1.2x	7.8x	7.2x	4.7%	10.5%	16.4%	16.1%	30.3%
Redbubble Limited (AU)	\$0.92	165%	73%	\$234	\$40	\$194	1.2x	0.9x	NM	41.2x	9.4%	31.6%	(0.8%)	2.3%	17.2%
Min			10%	\$34	(\$2,124)	\$194	0.3x	0.3x	3.8x	5.1x	(2.0%)	(8.1%)	(0.8%)	2.3%	13.8%
25th Decile			28%	\$136	(\$1,203)	\$495	0.3x	0.4x	4.7x	5.1x	4.5%	(5.6%)	6.6%	5.9%	17.2%
Mean			63%	\$1,070	(\$723)	\$1,793	1.0x	0.9x	8.6x	12.8x	13.9%	7.1%	9.7%	9.8%	31.7%
Median			73%	\$534	(\$918)	\$1,092	1.2x	0.9x	7.4x	8.7x	6.2%	6.5%	7.2%	7.0%	30.3%
75th Decile			88%	\$1,746	\$40	\$2,663	1.4x	1.2x	13.5x	12.1x	9.9%	10.5%	16.4%	16.1%	49.1%
Max			91%	\$3,601	\$111	\$4,803	1.8x	1.7x	14.7x	41.2x	64.8%	31.6%	19.6%	16.2%	50.2%

Precedent transactions

(USD in Millions)

Date	Target	Acquirer	Transaction Size	LTM Revenue	EV / LTM Revenue	EV / LTM EBITDA
6/3/19	Provide Creations, Inc.	PlanetArt	\$18	NA	NA	NA
5/14/19	Graphics and More	Trevco, Inc.	NA	NA	NA	NA
3/11/19	Print Lab Pte Ltd	Times Publishing Limited	\$18	NA	NA	NA
2/6/19	Things Remembered	Enesco, LLC	\$18	NA	NA	NA
12/6/18	Art.com Inc.	Walmart Inc.	NA	\$330	NA	NA
10/24/18	Teepublic	Redbubble Limited	\$41	NA	NA	NA
9/28/18	CafePress Inc.	Snapfish, LLC	\$27	\$78	0.1x	NM
9/25/18	Build A Sign LLC	Cimpress USA Incorporated	\$274	\$129	2.1x	NA
8/21/18	Greetz BV	PhotoBox Limited	NA	NA	NA	NA
8/9/18	VIDA & Co.	Cimpress N.V.	\$29	NA	NA	NA
5/9/18	LogoMix Inc.	Deluxe Corporation	\$43	NA	NA	NA
5/1/18	Clays Ltd.	Elcograf S.p.A.	\$32	\$106	0.3x	NA
10/23/17	BucketFeet, Inc.	Threadless	NA	NA	NA	NA
5/8/17	Brand Addition Limited	Elysian Capital	\$78	\$104	0.8x	NA
3/28/17	Kite.ly	Canon Europa N.V.	NA	NA	NA	NA
2/23/17	DeviantArt, Inc.	Wix.com Ltd.	\$36	NA	NA	NA
11/22/16	PersonalizationMall.com, Inc.	Bed Bath & Beyond Inc.	\$190	NA	NA	NA
3/2/16	The Guildery Inc.	MINTED LLC	NA	NA	NA	NA
2/4/16	Represent Holdings, LLC	CustomInk, LLC	NA	NA	NA	NA
11/23/15	Coveroo, Inc.	Zazzle Inc.	NA	NA	NA	NA
10/20/15	PhotoBox Limited	Exponent Private Equity	\$619	\$333	1.9x	14.0x
Min			\$17.5	\$78.5	0.1x	14.0x
Mean			\$109.4	\$179.9	1.0x	14.0x
Median			\$36.0	\$117.4	0.8x	14.0x
Max			\$618.6	\$333.0	2.1x	14.0x



Private Placements

(USD in Millions)

Date	Target	Investors	Deal Size
5/28/2019	InkMonk	Printo Document Services Pvt. Ltd.	NA
5/9/2019	Printify LLC	Bling Capital	\$3.0
5/6/2019	Swag.Com, Inc.	Techstars	\$1.0
12/13/2018	MINTED LLC	Permira Advisers Ltd.; T. Rowe Price New Horizons Fund, Inc.; T. Rowe Price Associates, Inc.	\$208.0
4/19/2018	Shapeways, Inc.	Lux Capital Management; Union Square Ventures; Andreessen Horowitz LLC; INKEF Capital	\$30.0
4/5/2018	PrintingForLess.com, Inc.	Goldman Sachs Group, Merchant Banking Division	\$25.0
2/14/2018	Lumi Inc.	Spark Capital Partners, LLC; Forerunner Ventures; Homebrew Management LLC	\$9.0
2/1/2018	CanvasPop LLC	BDC Capital Inc., Celtic House Venture Partners Inc.	\$3.3
11/1/2017	InkLocker LLC	Splash Capital, Right Side Capital Management, AET Fund	\$1.0
7/31/2017	Lostmy.name Limited	SVB; Allen & Co.; Ravensburger AG; Greycroft; GV; The Chernin Group, LLC; Forward Partners	\$8.5
7/26/2017	GearLaunch, Inc.	Hunt Technology Ventures, L.P.	\$4.8
6/13/2017	Shopmatic Pte. Ltd.	SPRING SEEDS Capital Pte Ltd; ACP	\$5.7
4/20/2017	Framebridge, Inc.	New Enterprise Associates; SWaN & Legend Venture Partners; Revolution Ventures	\$16.7
1/15/2017	My 1st Years	Beringea LLC; ProVen VCT plc; ProVen Growth & Income VCT PLC; Hargreave Hale	\$6.1
8/26/2015	Spoonflower, Inc.	North Bridge Growth Equity (nka:Guidepost Growth Equity); Bull City Venture Partners	\$25.0
11/18/2014	Teespring, Inc.	Khosla Ventures; Andreessen Horowitz LLC	\$35.0
Min			\$1.0
Mean			\$25.5
Median			\$8.5
Max			\$208.0

Appendix

Why ComCap?

- **Who is ComCap?**

- Digital commerce focused boutique, 100% focused on the ecommerce value chain
- Proven team with background at Credit Suisse, Wells Fargo Securities, and Battery Ventures with 50+ years of combined experience
- Senior execution with a strong bench team for support
- We are small, so we must be selective, working only on the best probability engagements, but working ferociously to achieve a great outcome
- We do deals where we add unique value – not untargeted auctions to test the market

- **How do we differentiate?**

- Vertical focus enables deep understanding of your value proposition
- Unique synergies identification and advocacy process – based on bottoms up revenue and profit analysis of the value of entering new geographies, new verticals for strategic investors / buyers
- Huge network among strategics in the US, Europe and Asia
- 50% of our transactions are cross border (active in the US, Asia, Europe and LatAm)
- New market entry experience on buy-side

- **Win-win proposal and differentiated proposition for our clients**

- While we may charge premium pricing, we offer greater levels of service than other firms, and our client references will attest to this

ComCap occupies a unique position in the advisory landscape

- Only boutique focused on “digital retail”
- Actively host forums at major industry events
- Partner of choice for major SaaS investors
- Actively publish research educating major strategics and private equity firms about trends in the space and leaders
- As such we have unparalleled access to key buyers

ComCap's perspectives on Print on Demand and other research is shared with 250+ financial and 100+ strategic investors

- ComCap's perspectives on various industries, including Print on Demand, is being shared with our large network of strategic and financial investors globally
- This facilitates a better understanding of sweet spots for these investors; and ultimately helps to better position a mandated client with selected players
- Unique disruptors are gaining additional global coverage via ComCap's reach

