

Sale of a Company

Client: ClearForest Corp.

The Client: ClearForest delivers the best-of-class text analytics software tools in the market today. They supply the *analytical bridge* between two previously disconnected worlds of information--unstructured text (think e-mail and web data from any source) and enterprise data. Their award-winning solutions offer critical links to situational context buried in text. These insights uncover hidden relationships, evaluate events, discover unforeseen patterns and facilitate problem identification for rapid resolution. ClearForest enables the semantic web.

Sequoia's Challenge: ClearForest's solution is more robust and deployable than any other on the market. Our challenge was finding potential partners who believed the market had reached critical mass. Text Analytics was considered a software tool rather than an enterprise application even though its ultimate key role in business intelligence was obvious. While happy to talk and be educated, business intelligence and enterprise software companies were not committing to this area. Therefore, we had to look at companies who could use this unique technology to significant competitive advantage.

Results: Reuters is one of the world's leading providers of news and information and is the world's largest international news agency. They had already deployed ClearForest software to enhance some of their information offerings. They appreciated the impact ClearForest could have in optimizing, automating and extending a broad cross-section of their offerings. Reuters acquired ClearForest to significantly differentiate their information offerings from their competition.

"Marnin & Rick became two "virtual" executives at ClearForest. Their insights on positioning and value creation were as helpful as their more classic M&A advice. We are thankful for the quality and intensity of their representation."

Barak Pridor
CEO
ClearForest Corp.