



## **Adconion Media Group makes global 'land grab' for video advertising market** *Acquires smartclip, Europe's leader in digital in-stream video & connected TV advertising*

**Sydney, 9 November 2011:** Adconion Media Group has affirmed its position as a market leader in online video advertising following its announcement today that it has acquired smartclip, Europe's leader for digital video advertising. The impact on Adconion's Australian operation will be immediate, with smartclip's global distribution partners increasing the volume of exclusive in-stream inventory available across Joost, Adconion's Digital Distribution Platform for brand advertising.

This strategic acquisition will significantly strengthen Adconion's position and growth in its existing markets and accelerate the deployment of its technology into the emerging segment of Connected TV. smartclip's proprietary Connected TV technology will be added into the Joost platform, which is already integrated with TV app providers, set-top boxes and gaming consoles.

According to IAB Australia's most recent Online Advertising Expenditure Report, the online Australian video market was worth \$38.8 million in the year ending 30<sup>th</sup> June 2011, with the market reportedly growing at 53 percent year on year. Prior to this acquisition Adconion held approximately 20 percent market share of the online Australian video market with the Joost video platform reaching 5.7 million Australians online.

According to Alex Littlejohn, President APAC of Adconion Media Group, this announcement will shake up the Australian video market considerably as agencies and advertisers are demanding the opportunity to distribute more content across more platforms than ever before.

"The online video and web TV market is incredibly competitive and there is an extreme shortfall of quality in-stream inventory. We're seeing the same market evolution in video inventory that we experienced in display several years ago. Opportunistic broker networks are popping up everyday and are focused only on arbitrage, brokering the same real estate and essentially adding no value to the advertisers, publishers or content partners. This acquisition of smartclip strengthens our position and will accelerate the ongoing development of online video and digital TV in Australia. As more exclusive audience is aggregated by top-tier players it will be harder for the brokers to co-exist."

smartclip brings more than 500 publisher sites to the Adconion portfolio. smartclip's technology standardizes different online video advertising formats across multiple devices and publisher sites, connecting relevant advertisers to premium content and websites offering highly efficient video campaigns. Its superior ad products, which support multiple technical specifications, will be integrated into Joost. Adconion's creative and branded entertainment company RedLever, will support the new opportunities, producing branded content to meet the increased demand of online video.

The approach of multiscreen delivery and monetization which smartclip follows will strengthen the position of Adconion Media Group as a driver of digital marketing innovation. By 2015 Cisco predicts the number of connected devices will reach over 15 billion – twice the world's population. It also predicts

that the proliferation of tablets, mobile phones, connected appliances and other smart devices will drive this growth and consumer video will continue to dominate Internet traffic and that by 2015 one million minutes of video will be watched online every second.

“The Adconion vision has always been to enable advertisers to reach the same consumers across multiple platforms. Integrating smartclip’s technology with our own and taking it global is another significant step towards that goal. Both parties understand the evolution of media consumption and are committed to delivering advertisers solutions for a digitally merged TV and online video experience.” said Littlejohn.

“We believe that advertisers and agencies will welcome Connected TV as it will provide new inventory sources and new audiences for their content. We see this accelerating the growth of brand budgets migrating from TV to online and bringing digital into the lounge room. It’s also exciting to be able to give viewers greater control of the content they consume. Connected TV is destined to change the way audiences consume content on television and Adconion is paving the way forward in this market,” said Littlejohn.

With the acquisition of smartclip, Adconion will gain 118 employees and grow its global footprint to 27 offices across 17 countries.

**/Ends**

#### **About Adconion Media Group**

Adconion Media Group ([www.adconion.com](http://www.adconion.com)) is one of the largest independent global audience, video and content networks, reaching 687 million unique users – or over half the total global online population – every month.

Adconion Media Group opened its doors in Australia in 2007 and has quickly established its position as one of the fastest growing converged digital media organisations in the country, capable of connecting advertisers, brands, publishers and content owners with the right audience at the right time, through the best possible channel for an optimum, measurable result.

Adconion has 16 offices in eight countries around the world, is a member of the Interactive Advertising Bureau (IAB) and is a founding member of IASH Europe.

#### **About smartclip**

smartclip, Europe's leader for digital video advertising, is delivering video ads across a variety of platforms and devices with utmost media efficiency. The company works with publishers, media agencies and advertisers, enabling all parties to benefit from the placement of online video ads. smartclip helps media agencies and advertisers roll-out their campaigns on a number of different devices (tablet PCs, Connected TV sets, gaming consoles, desk- or laptops and smartphones) and allows publishers to benefit from proprietary and innovative technology solutions. smartclip is headquartered in Hamburg, Germany and has 11 offices throughout Europe. The company was founded early 2008 by

Jean-Pierre Fumagalli and Roland Schaber in cooperation with the eValue Group of Internet entrepreneur Thomas Falk and backed up by Van den Ende & Deitmers, the venture capital of Endemol founder Joop van den Ende. [www.smartclip.com](http://www.smartclip.com). Twitter: @ smartclipAG

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