

## **AutoTrader.com Agrees to Acquire vAuto**

**ATLANTA/CHICAGO** – September 17, 2010 – AutoTrader.com and vAuto announced today an agreement under which AutoTrader.com will acquire vAuto, the automotive retail industry's leading provider of advanced software tools for used vehicle management, pricing and inventory optimization. The terms of the deal are not being disclosed.

vAuto will operate as a subsidiary of AutoTrader.com and the two companies will operate largely independently, although they will collaborate in the areas of product development and customer training. Going forward, dealer customers of both AutoTrader.com and vAuto can expect to see enhancements to both companies' products and services, such as more real-time, market-demand driven tools that will benefit their businesses.

"Over the past decade, the Internet has enabled consumers to have a tremendously more transparent view of used vehicle availability and pricing on a local, regional and national basis," said AutoTrader.com President and CEO Chip Perry. "This huge consumer benefit has driven more than 75% of car buyers to shop online before making their vehicle purchase. This change in the way consumers shop for cars has created a strong need for dealers to efficiently manage and merchandise their vehicles in a way that ensures they remain competitive. As a result of these trends, the many dealers who use third party classifieds sites like AutoTrader.com and who also employ state-of-the-art inventory management and pricing tools like vAuto are generating strong growth and profitability even in the face of a soft automotive market."

"AutoTrader.com is acquiring vAuto to further help dealers enhance their performance on the Internet by combining the power of AutoTrader.com's 15 million unique visitor audience and 1,000-plus person consultative sales and service team with vAuto's industry leading software tools for used vehicle pricing and inventory optimization," Perry added.

Because AutoTrader.com and vAuto are committed to the interests of all auto dealers, AutoTrader.com will maintain all existing data relationships with the providers of dealer inventory management, pricing and optimization tools in the automotive industry.

vAuto will maintain its management team and Founder Dale Pollak and President Keith Jezek will remain with the company to continue their mission of helping dealers grow their business through effective use of the company's powerful inventory management tools. vAuto will maintain its headquarters in Oak Brook, Ill., and its research and development center in Austin, Texas.

"I am excited to see vAuto join forces with AutoTrader.com because our two companies share a common passion for helping dealers leverage the Internet through strong product innovation and customer service," said Pollak. "Together we are intent on ensuring that customers of both vAuto and AutoTrader.com will continue to benefit from the expertise and consulting services that they've come to depend on and trust. Another key benefit we expect to provide to both companies' dealers is improved data products and services offered by both AutoTrader.com and vAuto."

"I believe by working together AutoTrader.com and vAuto will accelerate the automotive retail industry's adoption of efficiency and profit enhancing tools for

used vehicle marketing, management and merchandising,” said Pollak. “This combination will enhance dealers’ performance through improved dealership profitability and operational efficiency, more real-time market pricing and merchandising, and stronger market transparency and responsiveness.”

Portico Capital Securities LLC acted as the sole financial advisor to vAuto. David Washburn of Andrews Kurth LLP acted as outside counsel to vAuto throughout the transaction.

#### **About AutoTrader.com**

AutoTrader.com, created in 1997 and headquartered in Atlanta, Ga., is the Internet’s leading automotive marketplace and consumer information website.

AutoTrader.com aggregates in a single location millions of [new cars](#), [used cars](#) and [certified pre-owned cars](#) from thousands of auto dealers and private sellers.

AutoTrader.com attracts more than 15 million unique monthly visitors who utilize the site to view vehicles for sale, research and compare vehicles, review pricing and specials, and read auto-related content like buying and selling tips, auto maintenance tips and coverage of major auto shows and automotive trends.

Through innovative merchandising functionality such as multiple photos, videos, detailed descriptions and comprehensive research and compare tools, AutoTrader.com unites new and used car buyers and sellers online to improve the way people research, locate and advertise vehicles. AutoTrader.com is a majority-owned subsidiary of Cox Enterprises. The private equity firm Providence Equity Partners and the venture capital firm Kleiner Perkins Caufield & Byers are also investors. For more information, please visit [www.autotrader.com](http://www.autotrader.com).

#### **About vAuto**

Headquartered in the Chicago suburb of Oak Brook, Ill, vAuto also maintains a research and development center in Austin, TX. vAuto’s innovative “Live Market View” technology allows dealers to manage their used-vehicle inventories based on actual supply-and-demand for their specific market. Today, more than 3,000 dealerships across the country use vAuto’s pricing, appraisal, stocking and merchandising systems. Dale Pollak, vAuto’s Founder and Chairman, is the author of two books featuring best practices and strategies for the used car department, *Velocity: From the Front Line to the Bottom Line* and *Velocity 2.0: Paint, Pixels & Profitability*. Additional information about vAuto is available at [www.vauto.com](http://www.vauto.com).

#### **About Bain Capital Ventures**

Bain Capital Ventures has been an active investor in vAuto since 2006, serving continuously on the Board of Directors since that time and playing a significant role in supporting the company’s growth for the last four years. Bain Capital Ventures is the venture capital and growth equity affiliate of Bain Capital, headquartered in Boston. Bain Capital Ventures has approximately \$1.5 billion in assets under management and invests in business services, consumer and retail, healthcare, internet, mobile, and software companies across the spectrum of stages of development. With a team of more than 30 investment professionals, Bain Capital Ventures offers entrepreneurs a hands-on approach to strategic and operational opportunities. Bain Capital’s history of investing in growth-stage companies dates back to 1984. Since then, the firm has made over 125 growth-stage investments in companies such as Archer Technologies, DoubleClick, Gartner Group, iPay Technologies, Liberty Dialysis, LinkedIn, ProfitLogic, Staples, SolarWinds and Taleo.

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