

MERGERS & ACQUISITIONS

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Mergers & Acquisitions 2022 Deal of the Year: Vista Equity Acquired Drift

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Private equity firm **Vista Equity Partners**' acquisition in September of **Drift**, a Boston-based technology company that provides B2B conversational commerce, gave it a unicorn valuation, making it one of the few U.S.-based unicorns with Latinx founders. At the time, Boston-based Drift was a fast-growing IPO candidate. Its platform helps integrate chat, e-mail, video and artificial intelligence to power conversations on a customer's website and for the sales team too.

Establishing Trust

At the time of Vista's investment in Drift, many in the industry thought the company and its founders were on a direct path to an IPO. The deal is an example of the hypergrowth, pre-IPO companies Vista has been investing in over the past several years. It's similar to Vista's investment in **Gainsight**, which was named by **Mergers & Acquisitions** as one of the **2021 Top 10 Middle-Market Deals of the Year**. In both instances, Vista was able to secure the trust of founders.

Leveraging executive relationships from past and present investments, Vista was able to secure an exclusive introduction to Drift and its co-founder, **David Cancel** and was able to establish a positive rapport with the



team who in turn advocated for a majority deal to the board. This proactive approach allowed Vista to circumvent

a formal, competitive process and ultimately sign the transaction.

Vista also had an edge as more than 25 companies within its broader portfolio are customers of Drift. These companies frequently mentioned the high return on investment and mission criticality of Drift's platform and product suite due to its ability to influence revenue.

Notable Client List

Drift's customers include **ServiceNow**, **Okta**, **Grubhub**, **Mindbody**, **Adobe**, **Ellie Mae** and **Snowflake**. By investing in Drift, Vista will help accelerate growth, extend innovation and build a larger company, faster, including the launch of a new B2B category called "Conversation Commerce."