

COMPANY PROFILE

What began as two brothers' software startup dream in an Arizona strip mall has evolved into the leader in marketing automation solutions for entrepreneurs and growth-oriented small businesses. Entrepreneurs Scott and Eric Martineau founded Infusionsoft with a vision to revolutionize the way small businesses grow. Through countless hours designing custom solutions for small businesses, they found that the key to unlocking the "growth" dream for entrepreneurs lies in automating the marketing process and building a software solution that achieves this unique need of small businesses and entrepreneurs. They recognized that most small businesses and entrepreneurs struggle with disjointed marketing and communications systems, and lack a fool-proof way of converting more leads, managing customers, and growing the business. Joined by a growing team of smart, passionate people, and led by President and CEO Clate Mask, the Infusionsoft team has grown while working tirelessly and successfully to provide real-world sales and marketing solutions to small businesses and entrepreneurs who want to grow their enterprise quickly and profitably.

Since its beginning, Infusionsoft has been dedicated to liberating and empowering the underserved market of owner-operated, privately-held companies with fewer than 25 employees. This is achieved by helping business owners address the top three challenges they face when it comes to growing their companies:

- Converting more leads
- Securing repeat sales from customers
- Growing the business without adding staff

Infusionsoft technology is even delivered to users in a cost effective way: on-demand through a Web-powered software program with Automated Follow-up Technology (AFT). Infusionsoft's technology puts follow-up marketing, sales, and customer management on autopilot, and offers entrepreneurs an easier and more flexible way to manage multi-channel, multi-step online and off-line marketing initiatives and contact management without costly investments in IT infrastructure – a concern for most every small business.

Founded in 2001, the privately-held technology company is led by a seasoned management team who believes in bold thinking and building a winning, team-oriented culture where all employees have company ownership. The Infusionsoft headquarters, located just outside of Phoenix, reflects the vibrant energy of a company uniquely positioned in a long underserved market.

FAST FACTS	
Company Launched	March 2001
Funding	Series A: \$9M from Mohr Davidow Ventures in Fall 07 Series B: \$ 7.9 million from vSpring Capital and Mohr Davidow Ventures in Winter 08
Headquarters	Gilbert, AZ

SINGULAR FOCUS: TRUE SMALL BUSINESS – NOT “SMB”

Everyday, small business owners tackle monotonous, tedious tasks. They seek out prospects, make phone calls, create invoices, write emails, answer customer questions, and do a million of other routine jobs. Most small business owners are filling the role of salesman, secretary, accountant, marketer, and many other positions entirely on their own. Those business owners who do have employees must add payroll, HR and company meetings to their to-do list.

As such, most small businesses end up piecing together a variety of disparate handwritten and software systems to keep track of their marketing, sales, and customer management; from spreadsheets, rolodexes and email programs to online shopping carts and mosaics of Post-It Notes. This disjointed approach results in lost sales, inefficient operations, poor customer service and general chaos. Business owners are frustrated, employees are frazzled, and customers leave.

At the same time, customer relationship management (CRM) isn't enough: for most small businesses, enterprise-style CRM software is either overkill OR it's been 'dumbed-down' and doesn't provide what the small business really needs. Traditional CRM software is fine for bigger businesses with big budgets, big staffs, and big chunks of time on their hands to make it work for their enterprise. But small businesses need something beyond CRM software's main offering, which is generally just a big database in which to store information. They need *automation* of their marketing and sales processes. **This is where Infusionsoft comes in.**

Just like a corporation with a large sales force, the true small business has complex needs for marketing, sales, and customer management. But unlike mid-size and large corporations, they lack the capital and resources that have traditionally been required to take advantage of fully-integrated software technologies such as CRM, ERP, and various e-commerce platforms.

Thankfully, Infusionsoft is exactly what entrepreneurs and business owners **are searching for:**

- **More** than contact and lead management
- **Harnessing the power of the Internet**, marketing automation, e-commerce, communications, billing, and all the other stuff needed to **grow** a small business (not just *manage* it)
- Created **specifically** for entrepreneurs and small businesses
- **Proven** to be successful
- **Automating** marketing and sales so the business doesn't need to hire an army of sales reps
- **Provides relief** from tedious administrative tasks in order to get home earlier at night and be able to do the kind of work he or she loves

The key for small business entrepreneurs is finding the right software solution – one that essentially employs a 'robot' to consistently and automatically handle contacts, sales follow-up, tasks, email, marketing materials distribution, orders, up-sells, referrals and marketing campaigns.

The result: It's about more than CRM – or any other 'point' solution. In fact, it's about putting everything a truly small business owner needs into one comprehensive package. Infusionsoft is that solution, and allows its users to leverage lead generation, nurturing, and conversion processes by hooking all the moving parts together. This means they can compete with any size organization, and gain a competitive advantage in their space.

PRODUCT OVERVIEW

Infusionsoft is automated follow-up marketing software, built for small businesses with fewer than 25 employees who are tired of unconverted leads, no repeat sales from customers, and having to add more staff to get things done. Unlike ACT!, Goldmine, or Salesforce.com, our Web-powered, automated follow-up software is made specifically for today's small businesses and entrepreneurs who want to **grow** quickly and profitably.

CRM Software vs. Infusionsoft Marketing Automation Software

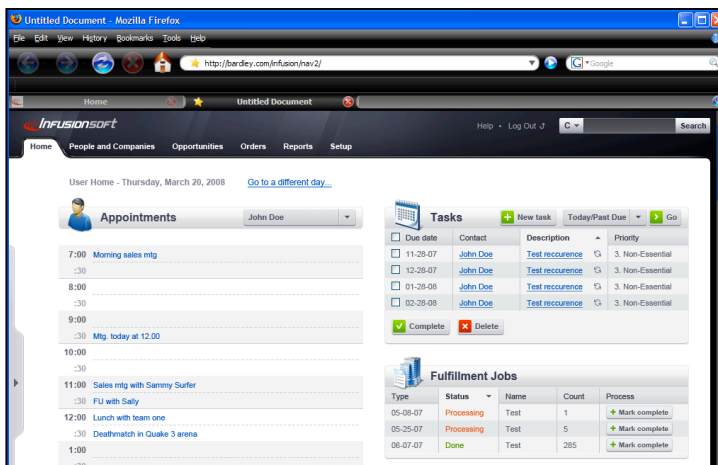
Traditional CRM software does not meet the needs of the growing small businesses. These entrepreneurs are forced to piece together many different software programs to run their marketing, sales and customer management, only part of which is CRM software itself. And while the Internet creates great sales and marketing *opportunities*, it also creates *complexity* by adding more pieces to the patchwork of the sales and marketing quilt. The result of this complexity and disjointed approach is lost sales, inefficient operations, poor customer service and general chaos. Business owners are frustrated, employees are frazzled, and customers leave.

Most CRM systems are passive data warehouses that require heavy user interaction to retrieve any meaningful value. Infusionsoft take this to the next level and enables small businesses to actually automate substantial amounts of the workflow and business process. Some examples of this automation include: sub-listing and sequential follow-up ("nurture" or "drip" marketing) to a prospect or customer, collections, snail mail, fax, voice-to-prospects recurring billing, and execution of up-sell and cross-sell campaigns.

Infusionsoft aims to revolutionize the way small businesses drive and manage their growth by helping entrepreneurs:

- Converting more leads
- Securing repeat sales from customers
- Growing the business without adding staff

Infusionsoft empowers entrepreneurs to grow their businesses quickly, efficiently and more easily than they ever thought possible.



Infusionsoft provides entrepreneurs with:

- Online and offline marketing automation
- Advanced 'drip' marketing
- Simple integration with a small business' Website for lead-capture and automated follow-up
- Email marketing engine
- List management
- Contact management
- Affiliate/referral tracking and management
- Sales force automation
- E-commerce

FACT SHEET

Founded

August 2001

Primary Business

Marketing Automation Software for Entrepreneurs and Small Businesses

Growth Rate

100%+ average annual growth since 2003

Employees

136 (as of January, 2009)

Mission

To revolutionize the way small businesses grow

Company Overview

Infusionsoft, the leader in marketing automation software for entrepreneurs and small businesses, is revolutionizing the way they grow. There are 25 million small businesses in America that need an easy-to-use, affordable, and powerful software solution that increases sales while freeing up their time. The company's integrated marketing software addresses that need by helping small businesses automatically convert more prospects to customers, get repeat sales, and grow their business without growing staff. The privately-held, Inc. 500 company is based in Gilbert, Ariz., and is funded by Mohr Davidow Ventures and vSpring Capital. For more information, visit www.infusionsoft.com.

Key Products

Infusionsoft is automated follow-up marketing software for entrepreneurs and small businesses with fewer than 25 employees who are tired of unconverted leads, no repeat sales from customers, and having to add more staff just to get things done. Unlike ACT!, Goldmine, or Salesforce.com, our Web-powered, automated follow-up software was built specifically for today's entrepreneurs and small businesses who want to **grow** quickly and profitably.

Target Market

- Entrepreneurs and small businesses
- Fewer than 25 employees
- Owner-operated
- Privately-held

Real-World Results- Infusionsoft facilitates:

- \$1 million in e-commerce per day
- 2 million emails delivered per day
- 87K new contacts added per day
- 24K Web leads added per day

MILESTONES

- 2001** Infusionsoft launches with founding team of Eric Martineau and Scott Martineau
- Jul 2002** Clate Mask joins as President
- Dec 2002** Begins selling semi-custom CRM for small businesses
- Sep 2005** Company brings on first group of "friends & family" investors to fuel growth
- Jan 2006** Grows to 30 employees
- Mar 2006** Purchases the Infusion Nissan "Z" where Employee of the Month gets to drive for one month
- May 2006** Company expands into new 10,000 sq ft. headquarters in Gilbert, Ariz.
- Aug 2006** Receives Angel Investor Tax credit by Governor Janet Napolitano (Ariz.)
- Dec 2006** Company is named 'Best Place to Work' by Phoenix Business Journal
- Feb 2007** Clate Mask is named to 'Top 40 Under 40 Entrepreneurs' by Venture Magazine
- Feb 2007** Purchases H2 Hummer vehicle for Employee of the Month program
- Apr 2007** Releases Version 5.0 of Infusion CRM
- May 2007** Wins '2007 CRM Excellence Award' from TMC.net
- May 2007** Launches Infusion University for Infusion CRM customers to become better marketers
- Jun 2007** Company is selected as a 'Top 50 Company' by Arizona Small Business Association
- Jul 2007** Pat Sullivan, former founder of ACT! and SalesLogix joins Board of Directors
- Aug 2007** Michael Gerber, author of 'E-Myth' and small business guru officially endorses Infusion CRM
- Sep 2007** Company is ranked No. 258 on Inc. Magazine's *Inc 500*
- Oct 2007** Company is named to Software 500 by Software Magazine, No. 10 for growth
- Oct 2007** MDV-Mohr Davidow Ventures invests \$9 million into Infusionsoft
- Nov 2007** Delivers highest monthly email volume for customers ever; 60 million emails
- Jan 2008** Adam Ross joins Infusionsoft as VP of Sales
- Feb 2008** Launch of Certified Consultant channel partner program
- Mar 2008** Former CFO of iCrossing Michael Effinger joins Infusionsoft as CFO
- Apr 2008** Changes name to Infusionsoft, repositions as marketing automation software
- May 2008** Duct Tape Marketing selects Infusionsoft to power business

- Jun 2008** Achieves PCI Compliance certification to further safeguard customer data
- Aug 2008** Infusionsoft is ranked No. 226 on Inc. Magazine's *Inc. 500*
- Oct 2008** Infusionsoft is ranked No. 4 in Phoenix Business Journal Best Places to Work
- Oct 2008** Infusionsoft upgrades the look and feel of its marketing software to improve usability
- Dec 2008** Dave Lee, VP of Marketing, releases e-Book "Master of the Moment"
- Dec 2008** vSpring Capital and MVD-Mohr Davidow Ventures invests \$7.9 million in Infusionsoft
- Jan 2009** Tiered product line introduced to reach a wider audience of entrepreneurs and small businesses
- Jan 2009** Launch of *Double Your Sales Guarantee* to all new customers
- Jan 2009** Launch of *Double Your Sales Club* to recognize customers that have doubled sales
- Feb 2009** Infusionsoft sponsors national *Double Your Sales Tour*, featuring world-class marketing experts
- Mar 2009** Annual user conference, InfusionCon 2009, has record turn out of nearly 600 attendees
- Apr 2009** Infusionsoft announces Outlook email integration for its flagship technology

MANAGEMENT TEAM



Clate Mask, Chief Executive Officer

Clate Mask joined Infusionsoft as President in 2002. He is regarded as a leading authority on small business and marketing with a career in technology and entrepreneurship that spans more than a decade. Under his leadership, Infusionsoft has grown into a dominant force in the market, doubling in revenue the last three consecutive years, attracting venture capital funding and becoming the leading marketing automation software for entrepreneurs. Prior to joining Infusionsoft, Mask headed up business development at North Sky, a web services company that was acquired by online content provider About.com in December of 1999 for \$42 million. Before the acquisition, Mask was instrumental in building North Sky, pursuing capital, and facilitating the sale of the company to About.com. After the acquisition, he took on a role as Director of Revenue Management, where he was responsible for generating new sources of revenue and managing the organization's sales efforts for several internet properties. Mask holds a Bachelor of Arts in Economics from Arizona State University. He earned a J.D. from Brigham Young University's J. Rueben Clarke law School and an MBA from the Marriott School at Brigham Young University.



Scott Martineau, Founder and Vice President of Product

Scott Martineau is the primary founder of Infusionsoft and leads product strategy for the company. Martineau has spent the last eight years helping entrepreneurs leverage technology to accomplish their business goals. Although his formal degree in Computer Information Systems from Arizona State University focused more on helping "Corporate America," his real passion and skill is in arming the small business entrepreneur with the tools needed to compete with and out-market large companies and other competitors. His unique mix of technical skills and entrepreneurial sense has been instrumental in creating the No. 1 marketing and follow-up software used by the nation's most respected direct-response marketing gurus and thousands of small business customers.



Michael Effinger, Chief Financial Officer

Michael Effinger oversees Infusionsoft's financial initiatives and corporate development. With a career that spans more than 15 years in finance and M&A, Effinger brings deep experience to Infusionsoft. He has over 20 years of financial management experience in technology, manufacturing and service companies. Prior to Infusionsoft, as CFO and as EVP of Corporate Development at the international online marketing company iCrossing, Inc., Mike oversaw numerous venture capital fundings totaling in excess of \$100 million. He also led the legal and financial closing of four domestic and international strategic acquisitions. Prior to iCrossing, he served as the CFO and Senior Vice President for Sunshine Media Inc., a national publisher and printer of specialty B2B trade magazines. Earlier in his career, Mike honed his financial management, M&A and operations skills as Division Vice-President of Finance at Move, Inc., formerly Homestore.com.



David Lee, Vice President of Marketing

David Lee is a veteran of web-based (SaaS) software and has been using the internet since 1988 when he first logged on with a Prodigy account to check the Lake Tahoe ski report each night. A proven marketing strategist and master at execution, Lee oversees marketing, lead generation, brand and communications for Infusionsoft. David is regularly invited to speak at marketing and sales conferences across the nation and world. His prior decade working in technology & software companies combined with an entrepreneurial spirit, political science & MBA degrees from Brigham Young University, and his love of marketing, sales, & working with people make Dave a powerful contributor on the Infusionsoft executive team. Outside of work, Lee loves spending time with his family, lives to snow ski, and enjoys world travel and reading.



Adam Ross, Vice President of Sales

A proven leader with deep software industry roots, Adam Ross leads the company's sales and business development initiatives. Prior to Infusionsoft, Ross was the Vice President of Channel for NetSuite Inc., where he oversaw all aspects of Americas Channel strategy for NetSuite, Inc. As a result of his leadership, the Americas Channel division significantly increased revenue and increased the number of VAR's selling the NetSuite product line. Prior to NetSuite, Ross served as National Sales Director for Best Software's CRM division. While at Best Software, Ross oversaw all aspects of revenue production for the CRM division of the company. As a result of his leadership, the CRM division significantly increased revenue for its CRM sales while drastically reducing operating expenses. Ross was one of the first 20 employees at Interact Commerce Corporation, SalesLogix's parent prior to its acquisition by The Sage Group PLC, known as Best Software in North America. Prior to his National Sales Director role at Best Software, Ross was Manager of Strategic Accounts focused on Fortune 1000 customers.



Marc Chesley, Vice President of Development

Marc Chesley leads all software deliverables, systems administration and internal IT. Chesley's entrepreneurial roots combined with his legal expertise and technical experience make him uniquely qualified to help lead Infusionsoft to success. Chesley has over 15 years of experience in technology where he has held a variety of management positions, including a role as President and Founder of a successful computer consultancy firm. He brings to Infusion a unique mix of business, technical and legal expertise. Prior to joining Infusionsoft, Chesley held executive positions in several technology companies that include: President of Discount Computer Services, Inc., Executive Vice President and General Counsel of Modulus Investments, LLC, Director of Technology, WinForce Technologies, Inc. and General Counsel of IT Partners, Inc. As an attorney, Marc's practice focused on intellectual property and technology related matters such as licensing and distribution. Chesley also assisted early stage companies in business transactions and corporate governance matters, including mergers and acquisitions, venture capital and private equity financing. He earned his Bachelor of Arts in Philosophy from Arizona State University, and his Juris Doctor from J. Reuben Clark Law School, Brigham Young University.



JoAnne Ravielli, Vice President of Customer Service and Support

A visionary leader with over 20 years experience in the contact center industry, JoAnne brings a wealth of knowledge and a proven track record in building strong service foundations centered around you, our customers. JoAnne's past accomplishments include building Technical Support, Training and Professional Services from the ground-up and scaling customer service organizations around the globe. JoAnne is a strong customer advocate. Her mantra says it all..."Customer Service is not a department it is a shared philosophy." When JoAnne is not talking to our customers or digging into data (she admits to being a data-head), JoAnne spends her time running her animal rescue organization for pot-belly pigs and coatimundi.



Eric Martineau , Chief Software Architect

As a co-founder of Infusionsoft, Eric Martineau has helped lead the company through all growth phases. He wrote his first software application when he was 8 years old, sometime shortly after he attended his first and only computer camp. Martineau is an entrepreneur at heart, though he prefers his recent ventures in software to his more youthful enterprises, such as mowing lawns, delivering newspapers, and selling candy door-to-door. Once he realized he could tell a computer what to do and it would obey, he was hooked. Working side-by-side with Scott, he helped to mastermind Infusionsoft, the leading automated follow-up marketing software in the industry. Martineau oversees the product technology and architecture with the long-term strategic vision of making sure the technology decisions made today will allow enough flexibility to weather the ever-shifting tech landscape.