



Engauge Marketing Acquires Atlanta-Based Digital Agency Spunlogic

Fourth Acquisition Strengthens Engauge's Digital Expertise

COLUMBUS, OH (April 7, 2008) – Engauge, the next-generation marketing solutions agency formed by Halyard Capital in partnership with Stan Rapp, has acquired Spunlogic, one of the country's leading independent digital agencies. The Engauge brand now encompasses Engauge Communication (formerly advertising agency TenUnited), Engauge Direct (formerly database and direct marketing agency Direct Impact), Engauge Digital (formerly Spunlogic), and digital technology development firm StreamRight.

With the acquisition of Spunlogic, Engauge complements its existing capabilities in brand communication, behavioral research, direct marketing, and data analytics with an extensive range of digital development and marketing solutions. Spunlogic is highly regarded for its understanding and unique view of online behavior, digital creative capabilities, application development technology, and all aspects of online marketing, including lead generation, email, ad serving, and search campaigns.

Spunlogic's clients include blue-chip brands such as Boston Scientific, The Coca-Cola Company, InterContinental Hotels Group, The Home Depot, the State of Georgia, Turner Broadcasting, and UPS.

"We have been approached by a number of potential buyers during the ten years since we formed Spunlogic in 1998," said Jeff Hilimire, Spunlogic's CEO who will become president of Engauge Digital. "Engauge truly is collaborative compared to the so-called integrated agency models. It's the perfect answer for clients looking to master consumer engagement, and it was the perfect answer for where we wanted to take our business."

Rick Milenthal, CEO of Engauge, commented, "We have long admired Spunlogic's leadership in online technology and creative web development. Its comprehensive understanding of the online user experience is second to none. With Spunlogic joining Engauge, marketers now have a single source for the fullest extent of key marketing disciplines driving success in a fiercely competitive business environment."

"We share a common vision with Engauge chairman Stan Rapp for bringing clients world class capabilities and accountable results you would expect from a marketing solutions agency named Engauge," said Bruce Eatroff, partner at Halyard Capital, the majority owner of Engauge. "Engauge is a great example of the types of innovative, industry-leading companies that Halyard invests in."

Jonathan Barnes, principal at Halyard Capital, added, “The addition of Spunlogic allows Engauge to deliver a complete set of innovative, media-agnostic solutions to the growing number of marketers dissatisfied with the *status quo* in advertising today.”

About Engauge

Engauge is a marketing agency formed to unite the power of digital, traditional, and direct marketing. At Engauge, brilliant minds from diverse disciplines come together in a uniquely structured environment to encourage true collaboration and profitable results. Each entrepreneurial center of excellence at Engauge retains its core specialization and can access expertise throughout the enterprise when a holistic solution is required. Engauge’s proprietary creative thinking process develops transformational ideas that change minds, revitalize brands, and improve bottom lines. Engauge’s clients include Airborne, Best Buy for Business, Boston Scientific, The Coca-Cola Company, The Home Depot, InterContinental Hotels Group, International Delight, Land O’Lakes, Logitech, Perkins Restaurants, Pert Plus, Sony, the State of Georgia, Sure, TiVo, Turner Broadcasting, UPS, and WellPoint. Its staff of 300 associates is located in Atlanta, Austin, Columbus, Orlando, and Pittsburgh.

About Halyard Capital

Halyard Capital is a New York-based private equity firm with over \$600 million of capital under management, focused on investing opportunities within the media, communications and business services industries. Halyard specializes in middle-market leveraged buyouts and growth equity investments. The firm has extensive experience and a proven track record within each of these sectors with recent investments including HCPro, Engauge, Presidio Networks and Education Dynamics. Halyard invests in and works closely with exceptional management teams in companies with defensible market positions and franchise characteristics which generate strong cash flow and operate in attractive growth markets. The firm’s investment funds will commit up to \$40 million to individual portfolio companies with a focus on investments of between \$15 million and \$40 million. Halyard has the ability to complete larger transactions utilizing our network of investment partners. Additional information regarding Halyard’s strategy, principals and investments can be found at www.halyard.com.

Contact: Stephanie Critchfield / 404.601.4348 / scritchfield@engauge.com