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Spotlight

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E-Commerce

Industry News

E-Commerce Sales Jump 37% in Q3

Digital Commerce 360 [Full Article](#)

Online retail continued to thrive in the third quarter despite a slow reopening of stores and the postponement of Amazon's Prime Day. From July to September, consumers spent \$199.44 billion online with U.S. retailers, up 37.1% from \$145.47 billion for the same quarter the prior year. While this was a slowdown from the record-breaking 44.4% growth in Q2, when ecommerce benefitted from a seismic shift in buying behavior at the height of the pandemic, digital spending remained at dramatically elevated levels.

Digital Migration

McKinsey [Full Article](#)

Consumers are turning to digital and reduced-contact ways of accessing products and services. As we look more granularly into the US, this digital trend is magnified for Gen Z, millennials, and higher-income consumers in general. Social commerce is on the rise as well: 34 percent of people say they have shopped on Instagram based on an influencer recommendation.

"This shift is likely to stick, to a large extent simply because e-commerce is often more efficient, less expensive, and safer for customers than shopping in physical stores. Moreover, as social distancing and protective measures remain the norm, shopping from our couches will seem even more convenient by comparison. Our ongoing consumer sentiment surveys confirm that customers throughout the world intend to increase their share of online shopping across most categories."

The Future of E-Commerce

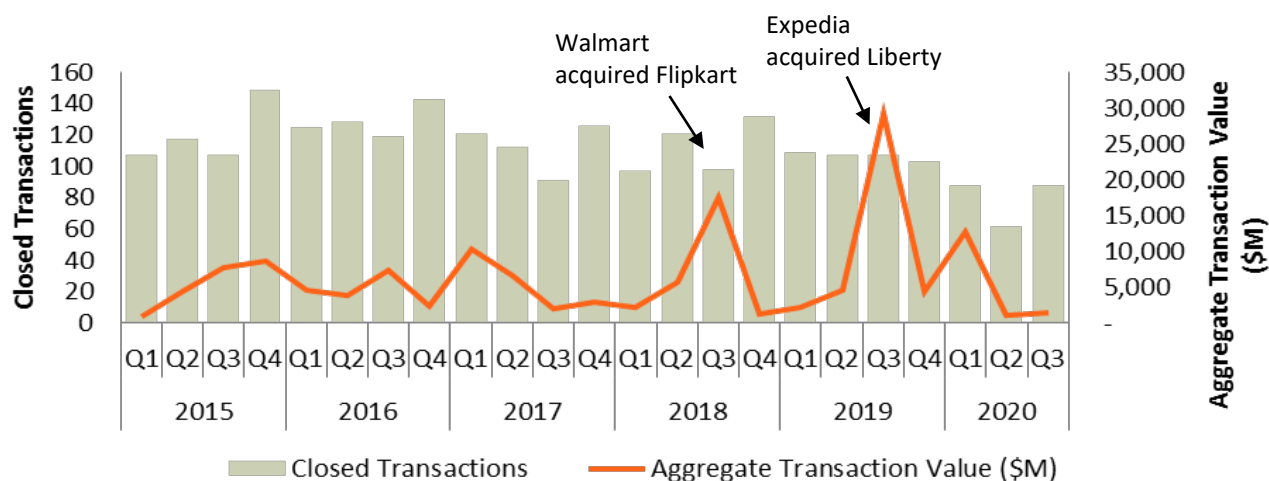
Beeketing [Full Article](#)

New studies project that the worldwide e-commerce sales will reach new highs in 2021. The studies suggest e-commerce should expect a 256% growth rate, from \$1.3 trillion in 2014 to \$4.9 trillion in 2021.

"As the lines blur between the physical and digital environment, multiple channels will become more prevalent in customers' path to purchase. This is evidenced by 73% of customers using multiple channels during their shopping journey. What it means for eCommerce is to understand how their customers buy, which marketing channels do they engage with, and their motivations and main drivers to purchase. In the simplest sense, omnichannel shopping means decoding what, where, when, why, and how people are purchasing the products you sell on a particular channel."

E-Commerce

E-Commerce M&A

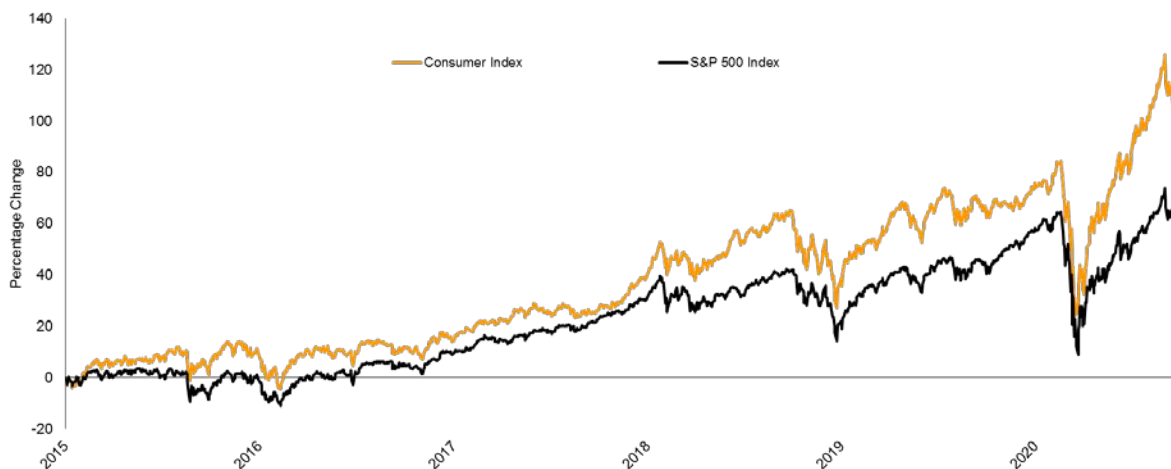


Selected Q3 2020 E-Commerce Transactions

Date Closed	Target	Buyers/Investors	Enterprise Value (\$M)	EV / LTM	
				Revenue	EBITDA
9/25/2020	Deghi S.p.A.	Micheli Associati S.R.L.; Am Capital	\$58.1	1.3x	-
9/17/2020	Bluebox Shop AG	Lovehoney Limited	-	-	-
9/14/2020	Shenzhen Huoli Tian Hui Technology Co.	Caissa Tosun Development Co., Ltd.	\$321.4	4.9x	70.8x
9/8/2020	Naturally Pure Therapy Products Corp.	BevCanna Enterprises Inc. (CNSX:BEV)	\$5.6	1.5x	-
9/2/2020	RTIC Outdoors LLC	Wind Point Advisors, LLC	-	-	-
8/27/2020	InstaShop Ltd	Delivery Hero SE (XTRA:DHGR)	\$360.0	-	-
8/19/2020	Golden Path LLC	Thoughtful Brands Inc. (CNSX:TBI)	\$1.7	-	-
8/13/2020	Vegan Store Ltd	A.F. Blakemore & Son Ltd	-	-	-
8/3/2020	PersonalizationMall.com, LLC	800-Flowers, Inc.	\$250.9	1.7x	-
7/31/2020	E-commerce business of Pier 1 Imports, Inc	Retail Ecommerce Ventures LLC	\$31.0	-	-
7/31/2020	Flexpay Co., Ltd.	Danal Co., Ltd. (KOSDAQ:A064260)	\$3.8	-	-
7/7/2020	Global shopCBD.com Inc.	Cannara Biotech Inc. (CNSX:LOVE)	\$4.6	-	-

Consumer

The consumer market continue to make a strong comeback in Q3, outperforming the general market. Driven by e-commerce and slow reopening across the country, sales across the board continue to rise. With distribution beginning for the vaccine, data driven decision making, a hallmark of the e-commerce industry, is set to play a key role in the coming year.



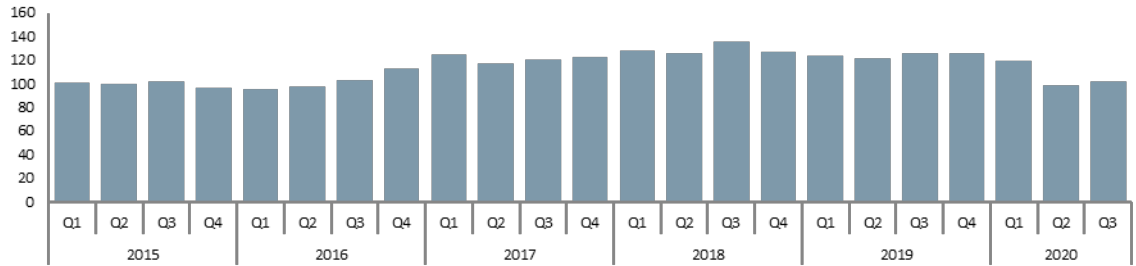
9/30/2020		LTM Financials			Valuation Metrics		LTM Margins	
Company Name	Ticker	Enterprise Value	Revenue	EBITDA	EV / Revenue	EV / EBITDA	Gross Margin	EBITDA Margin
Altria Group, Inc.	NYSE:MO	\$96,160	\$20,588	\$11,840	4.7x	8.1x	65.1%	57.5%
Amazon.com, Inc.	NasdaqGS:AMZN	\$1,597,176	\$347,945	\$43,708	4.6x	36.5x	40.2%	12.6%
Archer-Daniels-Midland Company	NYSE:ADM	\$35,026	\$62,706	\$2,607	0.6x	13.4x	6.8%	4.2%
AutoNation, Inc.	NYSE:AN	\$9,287	\$20,154	\$1,064	0.5x	8.7x	17.3%	5.3%
Best Buy Co., Inc.	NYSE:BBY	\$27,567	\$43,432	\$2,978	0.6x	9.3x	22.6%	6.9%
Bunge Limited	NYSE:BG	\$13,747	\$39,577	\$3,165	0.3x	4.3x	10.3%	8.0%
CarMax Inc.	NYSE:KMX	\$30,110	\$19,478	\$1,174	1.5x	25.6x	14.5%	6.0%
Carnival Corporation	NYSE:CCL	\$28,035	\$10,342	-\$650	2.7x	NA	4.8%	-6.3%
Charter Communications, Inc.	NasdaqGS:CHTR	\$212,550	\$47,234	\$17,523	4.5x	12.1x	62.7%	37.1%
Comcast Corporation	NasdaqGS:CMCSA	\$309,795	\$104,254	\$31,847	3.0x	9.7x	68.4%	30.5%
Costco Wholesale Corporation	NasdaqGS:COST	\$153,929	\$166,761	\$7,668	0.9x	20.1x	13.2%	4.6%
CVS Health Corporation	NYSE:CVS	\$151,347	\$265,285	\$18,515	0.6x	8.2x	18.1%	7.0%
Dollar General Corporation	NYSE:DG	\$62,472	\$31,282	\$3,663	2.0x	17.1x	31.2%	11.7%
Dollar Tree, Inc.	NasdaqGS:DLTR	\$30,216	\$24,626	\$2,550	1.2x	11.8x	37.8%	10.4%
Ford Motor Company	NYSE:F	\$163,754	\$130,907	\$5,842	1.3x	28.0x	4.9%	4.5%
General Mills, Inc.	NYSE:GIS	\$50,430	\$17,988	\$3,886	2.8x	13.0x	35.3%	21.6%
General Motors Company	NYSE:GM	\$143,811	\$115,793	\$9,460	1.2x	15.2x	9.7%	8.2%
Genuine Parts Company	NYSE:GPC	\$16,741	\$18,436	\$1,365	0.9x	12.3x	33.3%	7.4%
Kimberly-Clark Corporation	NYSE:KMB	\$57,240	\$18,887	\$4,247	3.0x	13.5x	37.3%	22.5%
Kohl's Corporation	NYSE:KSS	\$8,225	\$17,292	\$1,149	0.5x	7.2x	36.8%	6.6%
Lear Corporation	NYSE:LEA	\$8,819	\$16,545	\$1,115	0.5x	7.9x	7.4%	6.7%
Lowe's Companies, Inc.	NYSE:LOW	\$138,846	\$80,392	\$10,179	1.7x	13.6x	33.1%	12.7%
Macy's, Inc.	NYSE:M	\$9,032	\$20,808	\$177	0.4x	51.0x	34.7%	0.9%
McDonald's Corporation	NYSE:MCD	\$211,990	\$19,034	\$8,963	11.1x	23.7x	51.4%	47.1%
Mondelez International, Inc.	NasdaqGS:MDLZ	\$100,744	\$26,196	\$5,296	3.8x	19.0x	39.4%	20.2%
NIKE, Inc.	NYSE:NKE	\$199,314	\$37,337	\$4,639	5.3x	43.0x	43.2%	12.4%
Penske Automotive Group, Inc.	NYSE:PAG	\$11,405	\$20,523	\$665	0.6x	17.2x	15.4%	3.2%
PepsiCo, Inc.	NasdaqGS:PEP	\$227,861	\$68,557	\$12,583	3.3x	18.1x	55.3%	18.4%
Performance Food Group Company	NYSE:PFGC	\$7,208	\$25,890	\$442	0.3x	16.3x	11.7%	1.7%
Phillip Morris International Inc.	NYSE:PM	\$144,086	\$28,963	\$12,371	5.0x	11.6x	66.3%	42.7%
Rite Aid Corporation	NYSE:RAD	\$7,092	\$23,199	\$635	0.3x	11.2x	20.9%	2.7%
Starbucks Corporation	NasdaqGS:SBUX	\$122,028	\$23,518	\$3,103	5.2x	39.3x	21.9%	13.2%
Sysco Corporation	NYSE:SY	\$40,576	\$49,368	\$2,071	0.8x	19.6x	18.6%	4.2%
Target Corporation	NYSE:TGT	\$88,253	\$84,653	\$7,863	1.0x	11.2x	29.2%	9.3%
The Coca-Cola Company	NYSE:KO	\$246,295	\$33,471	\$11,313	7.4x	21.8x	59.9%	33.8%
The Gap, Inc.	NYSE:GPS	\$12,396	\$14,054	\$324	0.9x	38.3x	46.4%	2.3%
The Home Depot, Inc.	NYSE:HD	\$325,375	\$119,318	\$19,104	2.7x	17.0x	34.1%	16.0%
The Kraft Heinz Company	NasdaqGS:KHC	\$62,960	\$25,782	\$6,766	2.4x	9.3x	34.0%	26.2%
The Kroger Co.	NYSE:KR	\$44,036	\$128,905	\$6,305	0.3x	7.0x	23.6%	4.9%
The Procter & Gamble Company	NYSE:PG	\$366,716	\$72,470	\$20,041	5.1x	18.3x	51.6%	27.7%
The TJX Companies, Inc.	NYSE:TJX	\$75,768	\$33,734	\$1,980	2.2x	38.3x	32.4%	5.9%
The Walt Disney Company	NYSE:DIS	\$283,177	\$69,762	\$12,079	4.1x	23.4x	36.0%	17.3%
Twenty-First Century Fox, Inc.	NasdaqGS:FOXA	\$20,853	\$12,353	\$3,089	1.7x	6.8x	39.2%	25.0%
Tyson Foods, Inc.	NYSE:TSN	\$33,015	\$42,609	\$4,363	0.8x	7.6x	12.5%	10.2%
US Foods Holding Corp.	NYSE:USFD	\$10,395	\$23,681	\$672	0.4x	15.5x	16.8%	2.8%
Walgreens Boots Alliance, Inc.	NasdaqGS:WBA	\$72,719	\$139,537	\$4,604	0.5x	15.8x	20.1%	3.3%
Walmart Inc.	NYSE:WMT	\$455,693	\$542,026	\$36,616	0.8x	12.4x	24.7%	6.8%
Whirlpool Corporation	NYSE:WHR	\$17,453	\$19,040	\$2,128	0.9x	8.2x	18.6%	11.2%

Median	1.2x	13.6x	31.8%	8.7%
Mean	2.2x	17.4x	30.6%	13.6%

Consumer

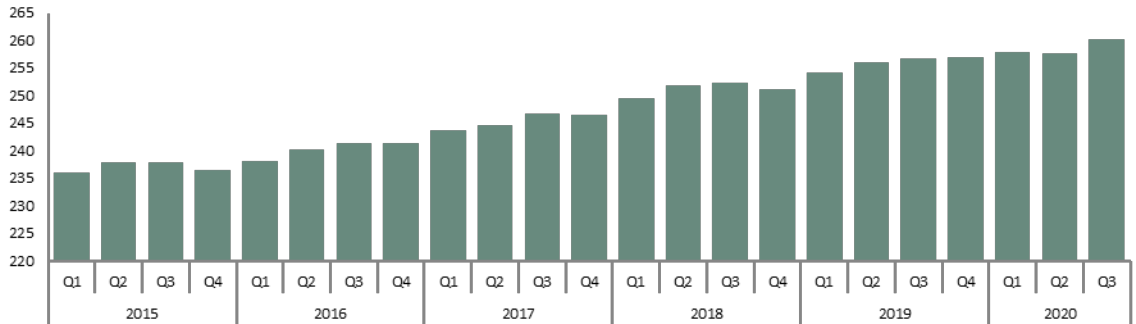
State of the Industry

Consumer Confidence Index



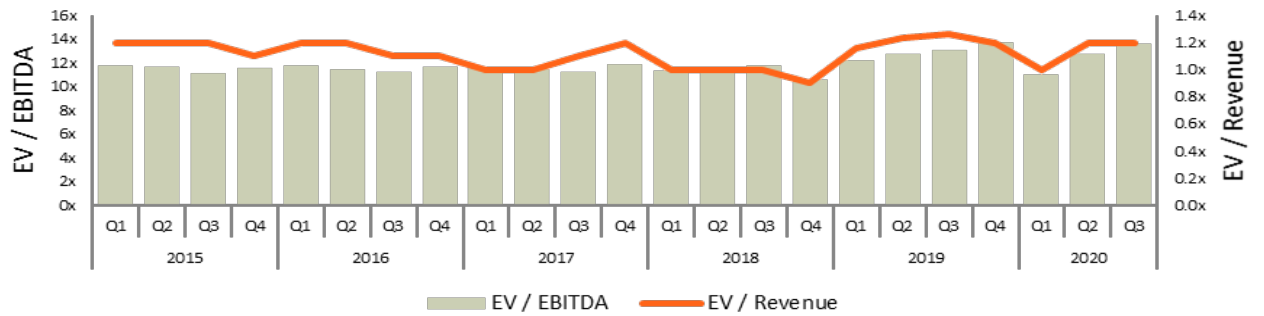
Source: Capital IQ

Consumer Price Index



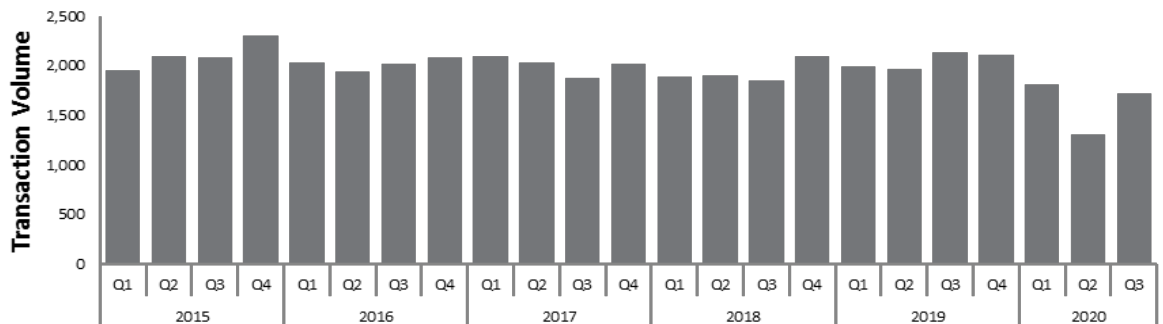
Source: Capital IQ

Industry Valuations



Source: Capital IQ

Consumer Transaction Volume



Source: Capital IQ



The Value of Accomplishment

The highest level of expertise and hard work is what accomplishment requires. It's what you deserve and what we do.

- *We sweat the small stuff.*
- *Take a 3:00am call.*
- *Say yes.*
- *Say no.*
- *Dig deeper when things get tough.*
- *And celebrate with you when your efforts pay off and you can reflect on it all and say, "It's really remarkable what we've accomplished here."*
- *Then and only then, will we know that we've accomplished something meaningful, too.*

About Mirus

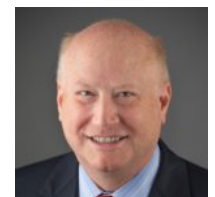
Spending on consumer products & services drives over two-thirds of the US economy and improving consumer sentiment is driving increased investment activity in the sector. Well-capitalized consumer companies are turning to M&A as a key business strategy to gain access to high growth emerging markets, cover the multichannel landscape, acquire scale, and ensure access to resources. Our Consumer Group understands these trends and can help you best position your company for growth or a successful exit in the midst of ongoing consolidation. Mirus provides direct access to sector-specific expertise, as well as global buyers and sellers.

Partner Spotlight

Andrew Crain brings to Mirus a diverse skillset of transactional, executive and legal acumen. Andy is an experienced dealmaker, and his prior experience as a family business owner gives him a unique vantage point from which to successfully guide clients through the financial, operational and emotional aspects of the transaction process. An investment banker since 2005, Andy provides merger & acquisition and corporate finance advisory services to owners of consumer products, food & beverage, business & industrial services, manufacturing and distribution companies throughout New England and nationwide. An investment banker since 2005, Stuart also has 20 years experience as a senior executive of national retail chains, and e-commerce and direct marketing companies. Stuart has led shoe, home furnishing, continuing education and food catalogs Or companies. He has additional experience in apparel and beauty. Stuart's transaction experience centers on e-commerce and catalog companies, food and beverage, and home and gift. Stuart, a frequent speaker and writer, has an MBA from Harvard University and has taught direct marketing and advertising at Bentley College.



Andrew Crain
(781) 418-5950
crain@merger.com



Stuart Rose
(781) 418-5922
rose@merger.com