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Spotlight

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# E-Commerce

## Industry News

### **Shopify, JD.com pair up in China as e-commerce competition intensifies**

Reuters [Full Article](#)

Canadian e-commerce giant Shopify announced in January that it has partnered with China's JD.com to let merchants in the United States sell to JD's customers in China.

The strategic partnership comes amid tight competition in the e-commerce space in China. The deal will let Shopify merchants sell on JD's cross-border platform JD Worldwide and open up access to its 550 million active customers in China, the companies said.

### **2022 Marks Retail's Permanent Evolution to Omnichannel Operations**

E-Commerce Times [Full Article](#)

Economic and behavioral trends that developed under the pandemic, such as inflation, supply chain shortages and reduced in-person shopping are contributing to vast and rapid changes in retail operations.

The role of the brick-and-mortar store has been redefined – the new definition is a place to shop and experience the brand but does not carry all the inventory.

Brands will need to adopt a strong one-to-one personalization strategy and a deep understanding of the omnichannel environment to reach customers where they are. Omnichannel marketing is now vital for in-store retailers, as it helps brands better understand the customer journey and tailor personalized messaging accordingly. To do so, utilizing first-party data is key to enabling consumer engagement across channels.

### **US Shoppers Spent \$1.7T Online During Pandemic, Another Trillion Forecast for 2022**

E-Commerce Times [Full Article](#)

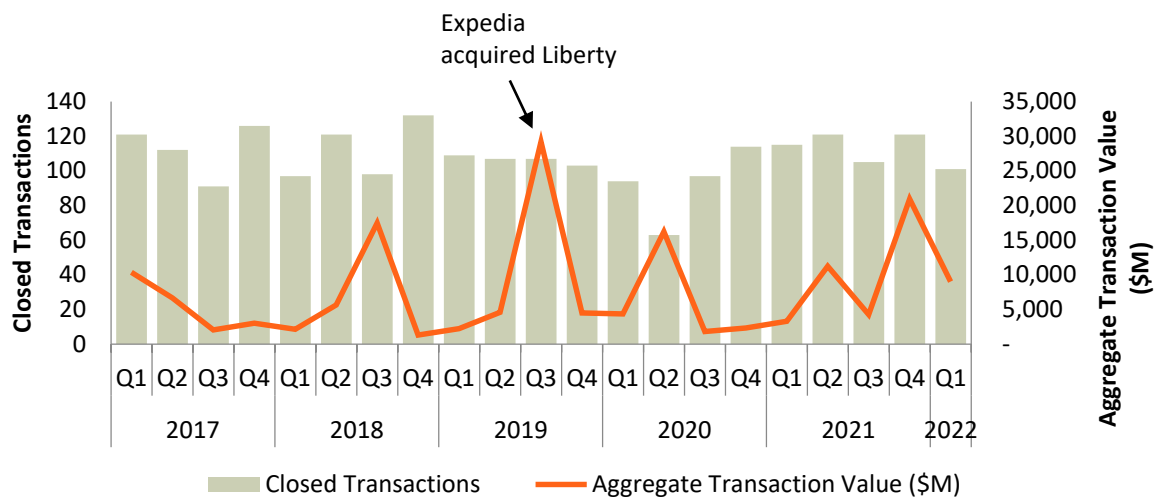
During the first two years of the global pandemic, U.S. consumers spent US\$1.7 trillion online, \$609 billion more than the previous two years, according to an economic report released in March by Adobe.

More spending is to come in 2022, with Adobe forecasting shoppers will spend more than \$1 trillion online. The report is based on the Adobe Digital Economy Index and measures direct transactions online.

As inflation continues, consumers will scrutinize their purchases more carefully. "Consumers may start to trade down in terms of brand and product as inflation starts to hit," said Ant Duffin, a senior director analyst with Gartner. "This means brands and trailers are going to work twice as hard to avoid a race to the bottom on price."

# E-Commerce

## E-Commerce M&A

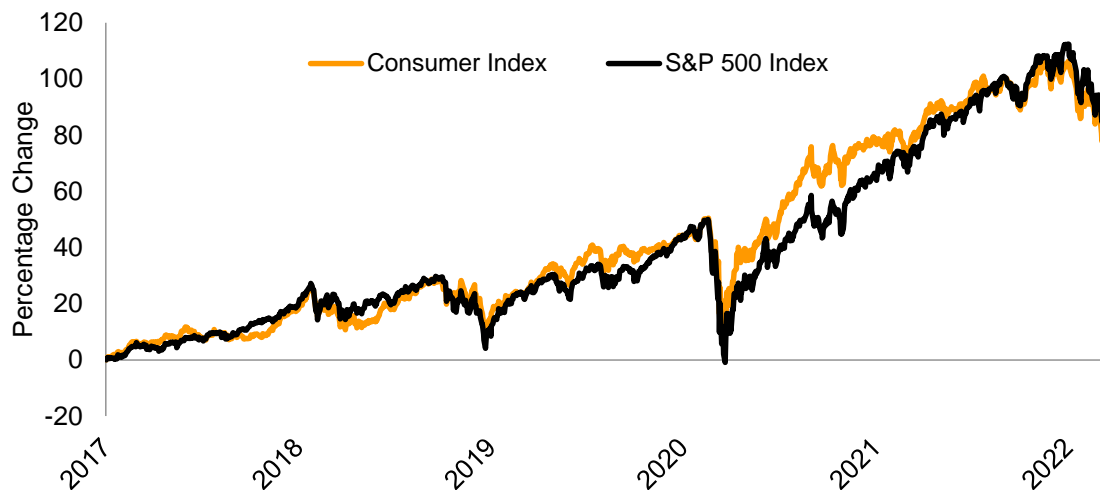


## Selected E-Commerce Transactions

Date Closed	Target	Buyers/Investors	Enterprise Value (\$M)	EV / LTM	
				Revenue	EBITDA
1/5/2022	Goldstar Events, Inc.	TodayTix, Inc.	-	-	-
1/6/2022	Assault Industries, Inc.	SuperATV, LLC	-	-	-
1/6/2022	throtl Inc.	Wheel Pros, LLC	-	-	-
1/10/2022	RedShiftWaterSports.com/BuyWake.com	Midwest Water Sports	-	-	-
1/11/2022	Furhaven Pet Products, Inc.	Worldwise, Inc.	-	-	-
1/11/2022	MatchCraft, LLC	Vendasta Technologies, Inc.	-	-	-
1/12/2022	ShareGrid, Inc.	Backstage, LLC	-	-	-
1/19/2022	Vooray International, Inc.	Thirty Three Threads, Inc.	-	-	-
1/21/2022	Lojas Americanas S.A.	Americanas S.A. (BOVESPA:AMER3)	4,858	1.1x	10.6x
1/27/2022	Overdrive Interactive LLC	Capitala Group; Wells Fargo Strategic	-	-	-
1/27/2022	Bella il Fiore	Creative Brands	-	-	-
1/31/2022	Elsewhere LLC	Lonely Planet Global, Inc.	-	-	-
1/31/2022	Sun Basket, Inc.	Pruvit Ventures, Inc.	-	-	-
2/1/2022	PharmaZu LLC	Emergent Health Corp (OTCPK:EMGE)	-	-	-
2/18/2022	Mall Group A.S./WE DO CZ s.r.o.	Allegro Group Sp. z oo	1,126	-	-
2/22/2022	FastLane Auto Exchange	E Automotive Inc. (TSX:EINC)	-	-	-
2/28/2022	SGCM Pte. Ltd.	Toyota Tsusho Asia Pacific Pte. Ltd.;	111	-	-
3/1/2022	Bobsled Marketing LLC	Acadia.io LLC	-	-	-
3/1/2022	Matse Holding AB (publ)	MatHem i Sverige AB	75	1.5x	-
3/3/2022	Elbutik Scandinavia AB	Elektroimportøren AS (OB:ELIMP)	31	-	-
3/4/2022	Weaveup, Inc.	Jo-Ann Stores, LLC	-	-	-
3/22/2022	OmniiX LLC	Society Brands, LLC	-	-	-
3/23/2022	Vertical Media Limited	Media Carry Limited	-	-	-
3/23/2022	Kestrel Health Information Inc.	HMP Communications, LLC	-	-	-

# Consumer

The U.S. economy faces high inflationary pressure in 2022 – prices rose 8.5% in March from a year prior according to the Consumer Price Index report. Consumer and retail companies face headwinds from surging energy prices, continued labor shortages and rising interest rates, which may drive margins down until later this year. In the long term, however, consumer spending trends developed during the pandemic represent potential growth opportunities.



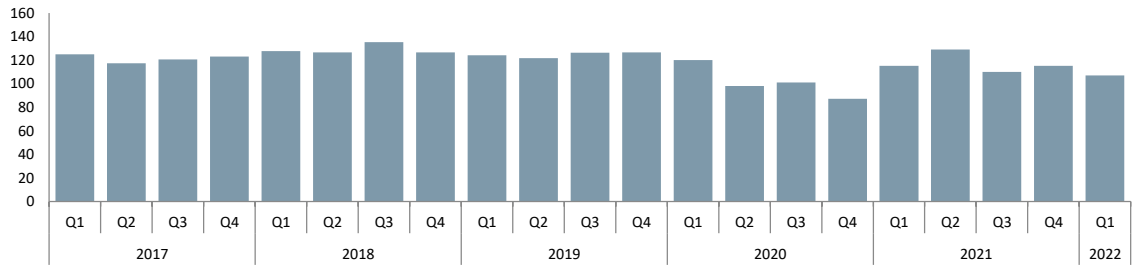
3/31/2022		LTM Financials			Valuation Metrics		LTM Margins	
Company Name	Ticker	Enterprise Value	Revenue	EBITDA	EV / Revenue	EV / EBITDA	Gross Margin	EBITDA Margin
Altria Group, Inc.	NYSE:MO	\$118,452	\$21,111	\$12,275	5.6x	9.6x	66.0%	58.1%
Amazon.com, Inc.	NasdaqGS:AMZN	\$1,702,197	\$469,822	\$59,175	3.6x	28.8x	42.0%	12.6%
Archer-Daniels-Midland Company	NYSE:ADM	\$60,651	\$90,006	\$4,211	0.7x	14.4x	7.0%	4.7%
AutoNation, Inc.	NYSE:AN	\$11,005	\$26,693	\$2,261	0.4x	4.9x	19.6%	8.5%
Best Buy Co., Inc.	NYSE:BBY	\$21,475	\$51,761	\$3,879	0.4x	5.5x	22.5%	7.5%
Bunge Limited	NYSE:BG	\$22,441	\$59,152	\$2,768	0.4x	8.1x	6.0%	4.7%
CarMax Inc.	NYSE:KMX	\$34,264	\$33,197	\$1,805	1.0x	19.0x	12.3%	5.4%
Carnival Corporation	NYSE:CCL	\$51,989	\$3,505	-\$4,011	NM	NM	NM	NM
Charter Communications, Inc.	NasdaqGS:CHTR	\$201,044	\$51,682	\$20,505	3.9x	9.8x	45.0%	39.7%
Comcast Corporation	NasdaqGS:CMCSA	\$312,711	\$116,385	\$34,621	2.7x	9.0x	67.0%	29.7%
Costco Wholesale Corporation	NasdaqGS:COST	\$252,739	\$210,219	\$9,905	1.2x	25.5x	12.7%	4.7%
CVS Health Corporation	NYSE:CVS	\$196,619	\$290,912	\$18,289	0.7x	10.8x	17.5%	6.3%
Dollar General Corporation	NYSE:DG	\$64,854	\$34,220	\$3,865	1.9x	16.8x	31.6%	11.3%
Dollar Tree, Inc.	NasdaqGS:DLTR	\$45,037	\$26,321	\$2,565	1.7x	17.6x	29.4%	9.7%
Ford Motor Company	NYSE:F	\$171,089	\$136,341	\$16,227	1.3x	10.5x	12.1%	11.9%
General Mills, Inc.	NYSE:GIS	\$52,470	\$18,625	\$3,773	2.8x	13.9x	33.4%	20.3%
General Motors Company	NYSE:GM	\$155,545	\$127,004	\$16,894	1.2x	9.2x	14.2%	13.3%
Genuine Parts Company	NYSE:GPC	\$20,665	\$19,700	\$1,667	1.0x	12.4x	35.1%	8.5%
Kimberly-Clark Corporation	NYSE:KMB	\$50,572	\$19,792	\$3,440	2.6x	14.7x	30.6%	17.4%
Kohl's Corporation	NYSE:KSS	\$12,973	\$19,433	\$2,518	0.7x	5.2x	41.1%	13.0%
Lear Corporation	NYSE:LEA	\$10,543	\$19,263	\$1,373	0.5x	7.7x	7.7%	7.1%
Lowe's Companies, Inc.	NYSE:LOW	\$161,696	\$96,250	\$14,137	1.7x	11.4x	33.3%	14.7%
Macy's, Inc.	NYSE:M	\$12,237	\$25,292	\$2,970	0.5x	4.1x	40.9%	11.7%
McDonald's Corporation	NYSE:MCD	\$228,517	\$23,223	\$11,741	9.8x	19.5x	54.2%	50.6%
Mondelez International, Inc.	NasdaqGS:MDLZ	\$103,802	\$28,720	\$6,107	3.6x	17.0x	39.2%	21.3%
NIKE, Inc.	NYSE:NKE	\$211,969	\$46,820	\$7,975	4.5x	26.6x	46.2%	17.0%
Penske Automotive Group, Inc.	NYSE:PAG	\$13,623	\$25,555	\$1,478	0.5x	9.2x	17.4%	5.8%
PepsiCo, Inc.	NasdaqGS:PEP	\$268,026	\$80,854	\$14,015	3.3x	19.1x	53.2%	17.3%
Performance Food Group Company	NYSE:PFGC	\$12,828	\$39,732	\$644	0.3x	19.9x	11.0%	1.6%
Philip Morris International Inc.	NYSE:PM	\$171,359	\$31,566	\$13,951	5.4x	12.3x	67.2%	44.2%
Rite Aid Corporation	NYSE:RAD	\$6,722	\$24,568	\$428	0.3x	15.7x	20.8%	1.7%
Starbucks Corporation	NasdaqGS:SBUX	\$124,340	\$30,362	\$6,451	4.1x	19.3x	28.7%	21.2%
Sysco Corporation	NYSE:SY	\$51,935	\$60,738	\$2,801	0.9x	18.5x	17.9%	4.6%
Target Corporation	NYSE:TGT	\$108,673	\$106,005	\$11,704	1.0x	9.3x	29.3%	11.0%
The Coca-Cola Company	NYSE:KO	\$302,280	\$38,655	\$12,773	7.8x	23.7x	60.3%	33.0%
The Gap, Inc.	NYSE:GPS	\$10,581	\$16,670	\$1,323	0.6x	8.0x	48.1%	7.9%
The Home Depot, Inc.	NYSE:HD	\$353,239	\$151,157	\$26,164	2.3x	13.5x	33.6%	17.3%
The Kraft Heinz Company	NasdaqGS:KHC	\$67,605	\$26,042	\$6,381	2.6x	10.6x	33.4%	24.5%
The Kroger Co.	NYSE:KR	\$60,092	\$137,888	\$6,592	0.4x	9.1x	22.7%	4.8%
The Procter & Gamble Company	NYSE:PG	\$391,512	\$79,618	\$21,463	4.9x	18.2x	48.5%	27.0%
The TJX Companies, Inc.	NYSE:TJX	\$77,476	\$48,550	\$5,382	1.6x	14.4x	35.2%	11.1%
The Walt Disney Company	NYSE:DIS	\$303,135	\$72,988	\$10,560	4.2x	28.7x	34.3%	14.5%
Twenty-First Century Fox, Inc.	NasdaqGS:FOXA	\$25,820	\$13,591	\$2,990	1.9x	8.6x	35.5%	22.0%
Tyson Foods, Inc.	NYSE:TSN	\$39,035	\$49,522	\$6,703	0.8x	5.8x	15.5%	13.5%
US Foods Holding Corp.	NYSE:USFD	\$14,252	\$29,487	\$848	0.5x	16.8x	15.8%	2.9%
Walgreens Boots Alliance, Inc.	NasdaqGS:WBA	\$80,326	\$135,948	\$6,027	0.6x	13.3x	22.0%	4.4%
Walmart Inc.	NYSE:WMT	\$462,091	\$572,754	\$36,600	0.8x	12.6x	25.1%	6.4%
Whirlpool Corporation	NYSE:WHR	\$13,431	\$21,547	\$2,621	0.6x	5.1x	19.1%	12.2%

Median	1.2x	12.6x	30.6%	11.9%
Mean	2.1x	13.7x	31.1%	15.3%

# Consumer

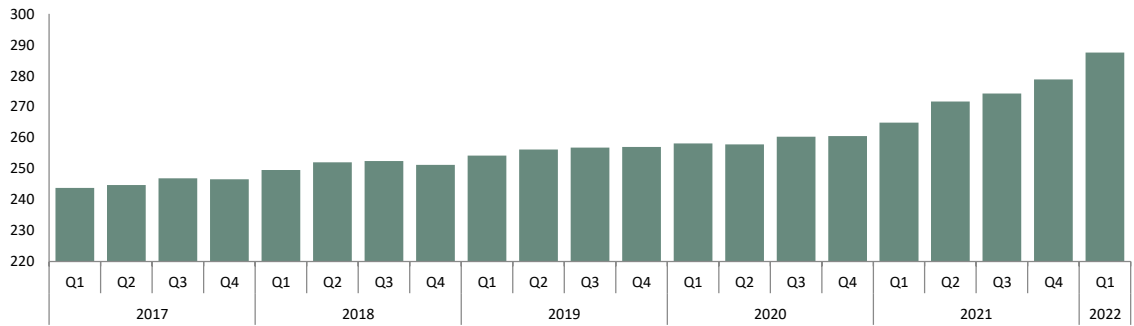
## State of the Industry

### Consumer Confidence Index



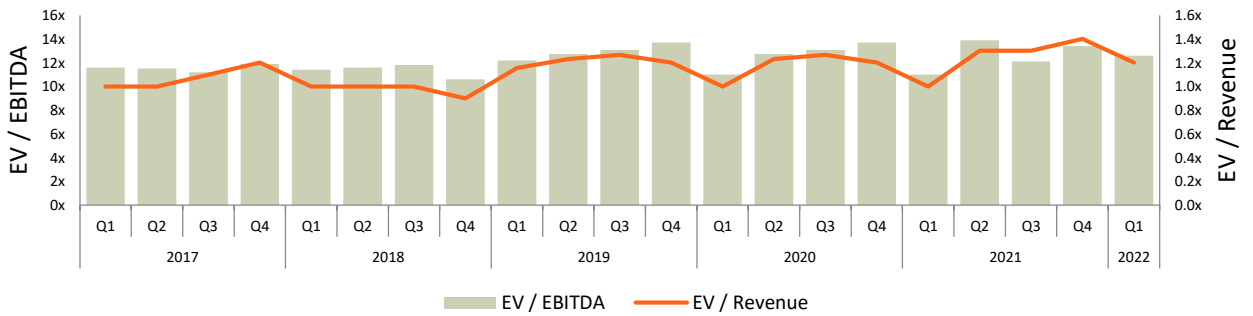
Source: Capital IQ

### Consumer Price Index



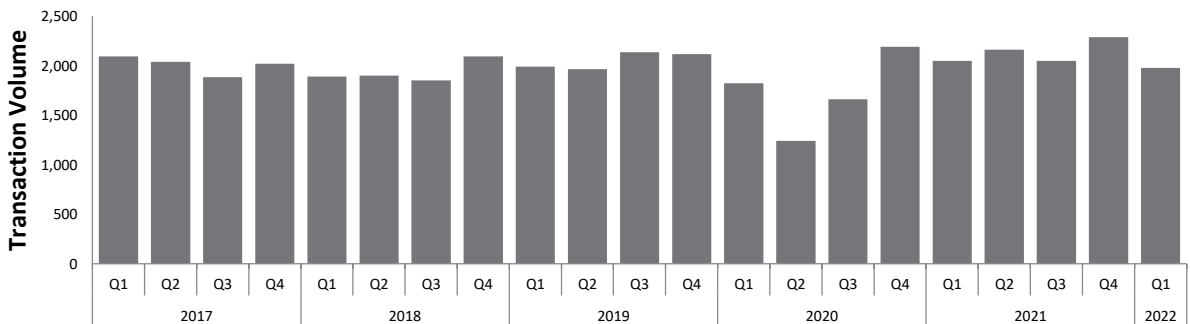
Source: Capital IQ

### 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.



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