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Vungle Co-Founder Zain Jaffer: Blackstone Acquisition of Company ‘A Historic Day’

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Zain Jaffer. (Twitter/Zain Jaffer photo)

Mobile advertising company Vungle July 15 announced that The Blackstone Group Inc. has agreed to acquire it.

Vungle co-founder Zain Jaffer called the acquisition “a historic day for Vungle, its employees and investors.

Jaffer launched Vungle in 2011 with co-founder Jack Smith. Jaffer served as the company’s CEO from 2011 to 2017, guiding it to more than \$300 million in annual revenue, with eight international offices and more than 200 employees, the release said.

“This is a historic day for Vungle, its employees and investors,” Jaffer said in a statement.

“Vungle became an attractive acquisition target because of its large revenue and profits, which wouldn’t have been possible without the tireless work of so many people,” he said. “A number of the early Vungle team members, who joined the company soon after it was founded in London in 2011, are still fulfilling key roles at the company today. I am happy they are being rewarded for their hard work and loyalty.”

Jaffer and Smith were among the first tech executives to recognize that the explosion of mobile apps would create new advertising opportunities for businesses and monetization opportunities for app developers.

That vision and the hard work of Vungle’s employees led the company to grow year-after-year, making it an attractive acquisition target, the company said.

Jaffer said he’s thrilled that the acquisition will create life-changing wealth for the company’s early employees and terrific returns for its investors.

Jaffer said he closely followed Vungle’s growth after he left the company and put together a team of investors in an attempt to buy it, it said.

“As TechCrunch reported, I tried to acquire Vungle last year with the backing of a different group of private equity buyers,” he said. “My plan was to invest more aggressively in our A.I. initiatives, grow revenues beyond \$1 billion and acquire some interesting companies.

“The exit strategy was to take Vungle public or sell to a strategic like Amazon, but for five times the price that was reported today. The new buyers seem smart and will probably do exactly that,” he said.

According to a Wall Street Journal report, the deal was valued around \$750 million. As part of the deal, Vungle reached a settlement with Jaffer, who had earlier sued the company for wrongful termination.