

## **IBIS Media VCT 1 plc**

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### **Investment in Skive Creative Ltd**

We are pleased to announce that IBIS Media VCT 1 plc (IBIS) has completed its fourth investment - a £350,000 investment in Skive Creative Ltd (Skive), whose website can be found at [www.skive.co.uk](http://www.skive.co.uk).

### **Company Description**

Skive is a fast growing interactive digital agency with a strong reputation for creativity in producing websites and interactive content such as branded 'advergames' for advertiser clients. Advergames are interactive games that can be played casually, typically for amusement or entertainment, at a desktop or laptop computer. These games are normally downloadable from the web and can in many circumstances be passed on from player to player by word of mouth viral marketing.

Skive was founded in 2001 by a management team that has worked together through six years of organic revenue growth. The company has worked with a wide range of clients over this period, sometimes directly commissioned by advertisers and other times being commissioned by other advertising agencies.

Some of Skive's clients include:

**Pirelli** 'Pirelli Film Quiz'  
**BP** 'Ultimate Rally Challenge'  
**Intel** 'Network Manager Cup'  
**Virgin Money** 'Lose Your Anger'  
**Reebok** 'Football'  
**Sky Sports** 'World Cup Glory'  
**Hasbro** 'Game.com'

Other Skive clients include MSN, The Independent, Cartoon Network and Motorola. Advertising agency clients include Leagas Delaney, OMD and 141i.

### **Investment Rationale**

Skive is an established profitable business with a highly regarded management team that has worked together since 2001, growing the agency's revenues organically every year during that period. Since inception Skive has demonstrated considerable and sustained success in developing marketing communications' campaigns that engage online consumers with Skive's client brands.

The increasingly fragmented nature of the media market and changing consumer media consumption habits have resulted in branded companies increasingly turning to non traditional media channels such as the internet to communicate and engage with their target markets. This has resulted in the internet becoming the fastest growing advertising medium in the UK, with internet advertising rising over 40% year on year to £2.0 billion in 2006, exceeding the share of total advertising expenditure of national newspapers.

The purpose of IBIS's investment is to enable Skive to further expand its team and, in due course, the range of products and service offerings to clients.

### **Additional Information**

IBIS' investment represents Skive's first institutional funding after six years of sustained organic growth.

Sean Singleton, CEO of Skive, said "We are really excited about working with IBIS as we take the company to its next stage of development in order to fully exploit the opportunities unfolding in the digital arena."

Following completion of the investment David Stephens of IBIS Capital has joined the Board of Skive as a non-executive director.

Skive has been advised by law firm Solomon Taylor & Shaw. IBIS has been advised by accountants HW Fisher & Co, and by law firm Martineau Johnson.

### **About IBIS Media VCT 1 plc (IBIS)**

IBIS is a venture capital fund focusing on making private equity investments at the smaller end of the UK media sector.

The fund has been structured as a Venture Capital Trust in order to enable investors in the fund to take advantage of the significant tax benefits available to VCTs, and investors in VCTs.

IBIS Capital Ltd

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