


Webfirm Group Limited in the News

The following two articles appeared online at www.smartcompany.com.au on 20 July 2009.

Investors open up

20 July 2009 

James Thomson

There's little doubt that Australia is enjoying a little economic winter sunshine right now. Consumer and business confidence is up, house prices keep soaring, unemployment remains under control (for now at least) and we're still not in recession.

It appears all this cheery news is helping put the smile back on the dial of sharemarket investors. As I write this morning, the sharemarket is up for the fifth straight day - not bad considering most analysts are tipping we are in for a very tough reporting season.

A number of smaller listed companies have taken advantage of the improved sharemarket conditions to raise a bit of capital to pay down debt, improve working capital and, in some cases, make an acquisition.

A great example of this is digital services company Webfirm, which today announced it has raised \$3.6 million, including almost \$1 million from Chris Morris, the founder of share registry giant Computershare.

Webfirm immediately announced it had spent \$1.5 million to take a 20% stake in AdSlot, a company which builds and operates electronic marketplaces for publishers to sell advertising space.

Webfirm will also use some fresh capital to expand its overseas operations and improve its working capital position.

The Webfirm raising, which was oversubscribed, highlights there still is money around for growing companies. It also shows there are wealthy angel investors around willing to take a punt.

Both are good signs that we are on the road to recovery.

Computershare founder Chris Morris takes stake in Webfirm

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James Thomson



Digital service company Webfirm has scored a coup by snaring an investment of almost \$1 million from Chris Morris, founder of global share registry giant Computershare.

Webfirm chief executive David Burden says Morris' investment is a coup for the company, which announced this morning that it had raised a total of \$3.6 million.

"We're certainly excited to have someone of his experience and his business acumen involved as our largest shareholder," Burden says.

"He's indicated that's he's prepared to enter into some discussions as to what help he can give the company and we're certainly happy to talk to him about that."

Burden says Webfirm had been talking to a number of investors as part of its capital raising efforts when one of the company's advisers identified Morris as a potential investor.

"He just liked the story," Burden says. "With Computershare he has a very good understanding of online businesses."

Webfirm is one of many small listed companies that have managed to raise funds in recent months, despite the economic downturn.

Burden says there is a clear feeling in the market that investors are on the lookout for bargains.

A lot of people are starting to realise that there's a lot of companies out there that are undervalued and were sold off too fast.

Webfirm will use part of the proceeds of its capital raising to fund the acquisition of a 20% stake in AdSlot, a firm which operates private electronic marketplaces that allow publishers to sell advertising inventory via an auction system.

Burden says AdSlot's auction system, which allows advertisers to set specific conditions about the inventory they want to buy, will help publishers sell to smaller clients who are typically difficult to reach and service.