

# DELOITTE ACQUIRES RED PLANET



## Summary

On February 09, 2017, Deloitte, a global provider of consulting, audit, tax, and financial advisory services, announced it had acquired Red Planet Ventures Limited (“Red Planet”), an innovation strategy and digital consulting firm based in Dublin, Ireland, for an undisclosed amount. Red Planet’s three full time employees will join the Deloitte Digital team, and plan to expand headcount in addition to utilizing the expertise and resources offered by Deloitte Digital. The acquisition builds on Deloitte’s momentum and drive to enhance their digital transformation and innovation capabilities.



### TARGET Red Planet

Founded in 2015, Red Planet is an innovation consulting firm that accelerates corporate and startup revenue growth by combining startup inventiveness, speed, and disruption with corporate resources, distribution, and brand power to create new digital solutions. The Company consists of Karl Aherne, Gavan Drohan, and Claire Fitzpatrick, and has earned a reputation for “turning the accelerator model for start-ups on its head.” Red Planet pairs corporates and start-ups to unleash innovation. The Company deciphers exactly what corporations need to meet digital challenges, and then connects them with the start-ups that can meet that particular need. This service was meant to work on a subscription basis, and was gaining traction with blue-chip telecommunications and financial services clients.

### BUYER Deloitte

Deloitte is one of the world’s foremost providers of consulting, accounting, and financial advisory services. The Company, headquartered in New York, was founded in the 1800s, and now boasts more than 240,000 employees and over \$36 billion in revenue. Deloitte has invested in building out Deloitte Digital, its digital transformation consulting practice, in the past several years with acquisitions such as Heat Industries, The Explainers, MashUp, Digital One, and Mobiento.



## Deal Overview

Announced Date	9-Feb-2017
Deal Type	Acquisition
Revenue Multiple	Undisclosed
# of Employees	~5
Year Founded	2015
Target Headquarters	Dublin, Ireland

*“We are continuing to invest in our digital transformation business as our clients demand greater agility and expertise in a rapidly changing digital world. We have to disrupt the way we work and deliver value. Red Planet’s outside-in, startup-led approach brings a different way of working for our clients and our people. Furthermore, it expands our global network of experts, partners and startups to help our clients understand and harness disruptive technologies to create new and accelerated growth.”*

- Brandon Jennings, Managing Partner, Deloitte Ireland

Red Planet has signed up a number of blue-chip telecommunications & financial services clients



## Deal Analysis

- Digital Transformation and Innovation Consulting are high priorities for consulting firms today. In just the past few months, Accenture acquired Karmarama, a UK-based digital creative agency, and 2<sup>nd</sup> Road, a strategic innovation and design consulting firm; Cognizant acquired Mirabeau, a digital marketing and customer experience agency; and Perficient acquired Bluetube, a digital consulting agency with deep expertise in enterprise mobile applications; among others.
- Consulting firms and IT services giants are rapidly snapping up boutique innovation and design agencies. Deloitte’s acquisition of a company in its infancy stage such as Red Planet demonstrates the market’s strong interest in digital consultancies with innovative strategic advisory capabilities.
- Red Planet’s innovation extends beyond its digital transformation focus – the Company’s use of a subscription model to provide consulting services is cutting-edge and brings Deloitte a new method to add a new “stickiness” to typically project-based digital revenue.