

OVERVIEW

PitchBook Company Signals provides a means of evaluating the traction and growth of private companies through the combination of web and social presence data.

WHY PITCHBOOK SIGNALS?

PB Signals was built in response to our clients request for a more meaningful way to evaluate emerging companies using non-financial data.

We kept it simple - PB Company Signals are free of fancy secret formulas and ambiguous company "scores." Instead, we've provided complete access to the data behind our calculations, so you can decide for yourself the value of each signal.

By combining PB Signals with our top-quality funding, valuations and investor details, you're able to conduct more comprehensive and powerful evaluation of companies, industries and investors.

WHAT ARE SIGNALS?

Signals are non-financial indicators used to calculate the traction and growth of 160,000+ active private companies within the platform. These signals include:

- 👍 • Daily Facebook Likes
- 🐦 • Daily Twitter followers
- 👤 • Monthly unique visitors to a company's website
- 📍 • Daily referring domains
- 📍 • Alexa website rankings

KEY TERMS

GROWTH RATE is a weekly measure of the growth of a company's signals, calculated by averaging a company's weekly web growth rate and weekly social growth rate (Figure 1).

WEB & SOCIAL GROWTH RATES are calculated by averaging daily percent growth of each individual signal (Figure 2).

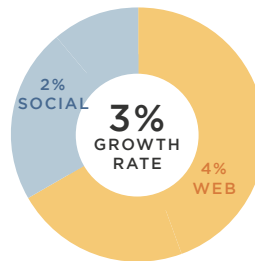
FACEBOOK & TWITTER GROWTH RATES are averaged with the previous eight weeks' averages (Figure 3). This is to prevent random anomalies from skewing the data.

ex - a controversial event causes a sharp increase in social followers

POPULATION the entire pool of 160,000+ companies from which our signals measurements are drawn.

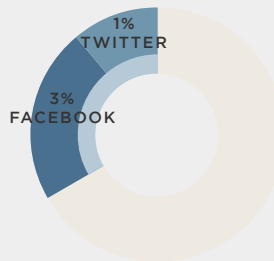
PERCENTILE is a measure out of 100 of a company's standing within the population (Figure 4).

FIGURE 1



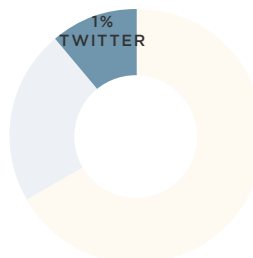
Growth rate = average of web and social rates
 $(2\% + 4\%) \div 2 = 3\%$

FIGURE 2



Social rate = average of Facebook and Twitter growth rates
 $(3\% + 1\%) \div 2 = 2\%$

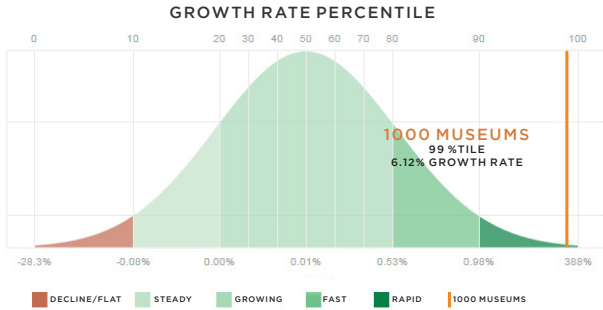
FIGURE 3



Twitter growth rate = average growth over eight weeks

wk1	wk2	wk3	wk4	wk5	wk6	wk7	wk8
1%	2%	1%	.5%	1%	1%	1%	.5%
$8\% \div 8 = 1\%$							

FIGURE 4

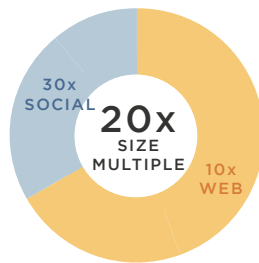


SIZE MULTIPLE measures the size of a company's signals. This is calculated by averaging the web and social multiples (Figure 5).

WEB AND SOCIAL MULTIPLES are calculated by averaging each metric and dividing them by the population median of each individual signal. (Figures 6 and 7).

FIGURE 5

Size multiple = average of web and social multiples
 $(10x + 30x) \div 2 = 20x$



HOW YOU CAN USE IT

DEAL SOURCING Find companies with high growth rates that match your investment criteria

INDUSTRY RESEARCH Use the platform's advanced search to track groups of similar companies. Use our funding data to see who has (or doesn't have) backers; Use PB Signals to understand who's winning, who's moving and who's losing.

BUSINESS DEVELOPMENT Discover rapidly-growing, small and medium-sized companies flying under the radar and in need of your products or services.

COMPS ANALYSIS Find companies of similar size and growth rates and use the private comps tool to analyze private company pricing and valuations.

REAL-TIME TRACKING Set up and save searches to track the types of companies you're interested in; set alerts to notify you any time a new company matches that criteria.

ex - track all companies in the mobile game space that have raised a series A and has more than 500 Twitter followers.

FIGURE 6

Social multiple = average of Facebook and Twitter multiples
 $(40x + 20x) \div 2 = 30x$

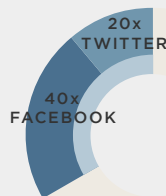
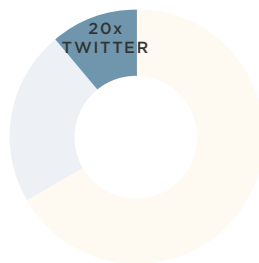


FIGURE 7

Twitter multiple = twitter followers over the population median
 $\frac{7,000 \text{ followers}}{350 \text{ population median followers}} = 20x$



SEE PB SIGNALS IN ACTION

Contact our customer success team to schedule a training.

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