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QUESTION

SMS Marketing Platform Valuation - MessageMate & ReCart

INSIGHTS

- MessageMate raised \$250,000 in 2011 and an additional \$1.3 million in 2013.
- ReCart started with \$10,689 in initial capital.
- ReCart had \$200,000 in monthly recurring revenue in May of 2018.

FINDINGS

The SMS marketing firms MessageMate and ReCart are both seeing impressive revenues contrasted against their modest initial and expanded fundraising. In the case of MessageMate, it sees [\\$3 million \(1\)](#) in annual revenue after raising just [\\$250,000 \(2\)](#) in 2011. ReCart started with [\\$10,689 \(6\)](#) in 2017 and saw [\\$202,464 \(5\)](#) in monthly recurring revenue as of May of 2018. Regrettably, using publicly accessible information, we were unable to find the equity in these two companies at the time they did their fundraising, nor were we able to find or extrapolate their valuation multipliers. The information we did find has been entered into rows 6 and 7 of the spreadsheet entitled SMS Marketing Platforms, linked [here \(7\)](#).

METHODOLOGY

We began by researching the companies' websites, as well as the web presence of the companies' CEOs, hoping to find either the companies' equities at the time they raised capital or their valuation multiples. We noted that MessageMate was owned by OwnerListens and that ReCart had previously been known as Ghostmonitor, so we made sure to expand our research to include those names. We did find some information about fundraising activities, as noted below, but we did not find the requested data, nor enough information to make any high-confidence estimates.

We turned to reliable investment information databases, like CrunchBase, in the hopes of finding the requested information or enough data to estimate the requested information. While we were able to confirm and expand our knowledge of the revenue and fundraising of the target companies, we still did not find enough information from these sources to answer the request.

Finally, we expanded our search to social media, press releases, and technical industry publications, looking not only for mentions of the four companies (MessageMate, OwnerListens, ReCart, and Ghostmonitor) but also for their CEOs. This strategy allowed us to confirm some of the investment information already discovered by earlier strategies, but still did not give us enough information to extrapolate the requested valuation multipliers or equity at the time of fundraising.

While we could not find the requested information, we did find some information about fundraising activities for these two companies, which we have presented below.

MESSAGEMATE

MessageMate [is owned by \(3\)](#) OwnerListens. On October 1st, 2011, they raised [\\$250,000](#)

(2) in capital. On May 13, 2013, they raised an additional [\\$1.3 million \(2\)](#) in capital. They currently see annual revenues of [\\$3 million \(1\)](#).

RE CART

At one point, ReCart was called [Ghostmonitor \(6\)](#). On April 15th, 2016 the company raised [3 million \(6\)](#) Hungarian Forints in initial capital. (At today's conversion rate of .0036, that is \$10,689 in United States dollars.) ReCart had [\\$18,500 \(4\)](#) in monthly recurring revenue in July of 2017. Less than a year later, ReCart in May of 2018, ReCart saw [\\$202,464 \(5\)](#) in monthly recurring revenue.

CONCLUSION

MessageMate and Recart have both seen rapid growth based on modest fundraising. Unfortunately, using publicly available sources, we were unable to find the equity of these companies at the time of fundraising, nor were we able to find the multipliers used to determine the companies' valuations at that time. For convenience, a second link the spreadsheet can be found [here \(7\)](#).

SOURCES

1) OwnerListens | Crunchbase

<https://www.crunchbase.com/organization/ownerlistens#section-overview>

2) OwnerListens- Job Start Up

<https://angel.co/ownerlistens>

3) Message Mate - Customers Text, You Sell More

https://ownerlistens.com/message_mate/

4) Recart July 2017 Update

<https://blog.recart.com/2017/08/01/recart-july-2017-update/>

5) Recart May 2018 Update - \$202k MRR, Revamping Product Development

<https://blog.recart.com/2018/06/06/recart-may-2018-update-202k-mrr-revamping-product-development/>

6) GhostMonitor Kft. short credit report, official company document download

https://www.ceginformacio.hu/cr9311291040_EN

7) SMS Marketing Platforms

<https://docs.google.com/spreadsheets/d/147K2hTGhQkjsGJCjONHX-L-tFmKdU4GS7EvkJYxCg2I/edit#gid=0>