



FOR IMMEDIATE RELEASE

BzzAgent Hive Grows with \$13.75 Million in Venture Capital Financing

First Institutional Round Led by General Catalyst Partners and IDG Ventures Boston

(BOSTON, MA) January 13, 2006 - BzzAgent, Inc., the industry's fastest growing word-of-mouth marketing and media firm, today announced it has closed \$13.75 million in Series B funding. The round, which is the company's first institutional funding, was co-led by General Catalyst Partners and IDG Ventures Boston. BzzAgent will use the funding to expand its market position and organizational infrastructure. As part of the funding, John Simon from General Catalyst Partners and Jeffrey Bussgang from IDG Ventures will join the company's board of directors.

BzzAgent has been profitable since it was founded in 2001 by CEO Dave Balter. The company was created to help harness, automate, and measure honest word-of-mouth marketing. BzzAgent designs and implements word-of-mouth programs that enable everyday consumers to become involved with a brand, product or service and allow companies to employ the power of honest consumer dialogue as a measurable marketing medium. It currently serves more than 100 clients including Anheuser Busch, Cadbury Schweppes, Energizer Batteries, Ralph Lauren, and Levi's Dockers.

"Few venture capital firms have deep experience in investing in companies that bring together the consumer and marketing services sectors," said Dave Balter, founder and CEO of BzzAgent and co-author of *Grapevine: The New Art of Word of Mouth Marketing*. "We are thrilled to be working with two firms that not only understand word-of-mouth marketing, but truly believe that it will have a huge impact on how companies market their products, services and brands to consumers now and in the future. This funding validates the word-of-mouth category and positions BzzAgent to establish it as a legitimate marketing medium."

"With exceptional leadership, an impressive client base and history of rapid growth, BzzAgent is well positioned to become a category-defining company that will dramatically change the way companies market to consumers," said John Simon, managing director, General Catalyst Partners. "There is tremendous opportunity for word-of-mouth marketing and we look forward to working with BzzAgent to create this exciting new category."

"Just as the Internet and interactive marketing have exploded over the past 10 years, we believe that word-of-mouth marketing will be the next 'must-have' program for every company with a consumer-focused product, brand or service," said Jeff Bussgang, general partner, IDG Ventures Boston. "With hundreds of campaigns completed and more than 125,000 BzzAgents, the company has clearly established itself as the emerging leader in the word-of-mouth marketing category. Dave is a terrifically



talented entrepreneur and we look forward to working with him as he enables companies to market with their customers rather than to them.”

About BzzAgent, Inc.

BzzAgent, Inc. is a word-of-mouth marketing and media company that enables companies to organize and manage honest, real-world conversations between everyday consumers. BzzAgent’s innovative process and platform allows it to develop systemized campaigns that help accelerate and measure word-of-mouth as a marketing medium. Clients generate awareness and shape perception through BzzAgent’s community of 125,000 trained, volunteer brand evangelists or by way of their own private label word-of-mouth networks. BzzAgent has served more than 100 clients, including Anheuser-Busch, Cadbury Schweppes, Lee Jeans, Levi’s, Penguin Putnam Publishing, Ralph Lauren, and Sun Microsystems. Find more information, or sign up to become a BzzAgent, at www.bzzagent.com.

About General Catalyst Partners

General Catalyst Partners is a venture capital firm that invests in exceptional entrepreneurs who are building the technology-based companies that will lead innovation and transform industries. Founded in 2000, General Catalyst Partners leverages its principals’ extensive operational, business development and technological expertise to provide portfolio companies with a catalyst for success through business-building and partnership development assistance. General Catalyst is headquartered in Cambridge, Mass. For more information, please visit: <http://www.generalcatalyst.com>.

About IDG Ventures

IDG Ventures Boston is a leading venture capital firm focused on investing in early-stage information and healthcare technology companies. With \$280 million under management, the firm is an independent partnership making investments on behalf of its limited partners. The fund is affiliated with IDG Ventures, a global \$1 billion network of funds spanning Asia, Europe and North America. International Data Group, the world’s largest IT media, research, and event company, is the flagship limited partner for IDG Ventures Boston. Through the IDG global network, IDG Ventures Boston is able to uniquely add value to its portfolio companies by facilitating revenue acceleration and global expansion and establishing relationships with key strategic partners. For more information, visit www.idgventures.com.

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