

# SlatorCon San Francisco 2019

Global Language Operations | M&A  
Healthcare Interpreting | Enterprise Localization  
Investment & Funding | AI & Machine Learning

#SlatorConSF19



Lead Partner

**BIG**

Language Solutions

Panel Partner



Networking Partner



Welcome Reception Partner

**Market and Players**

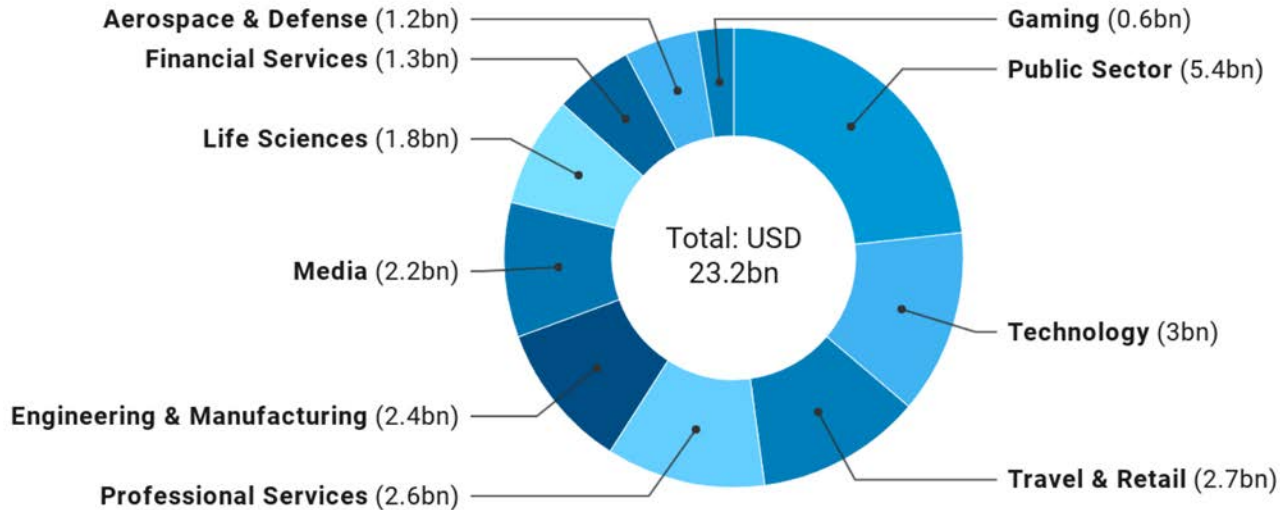
**Investment**

**Technology**

**Growth Opportunities**

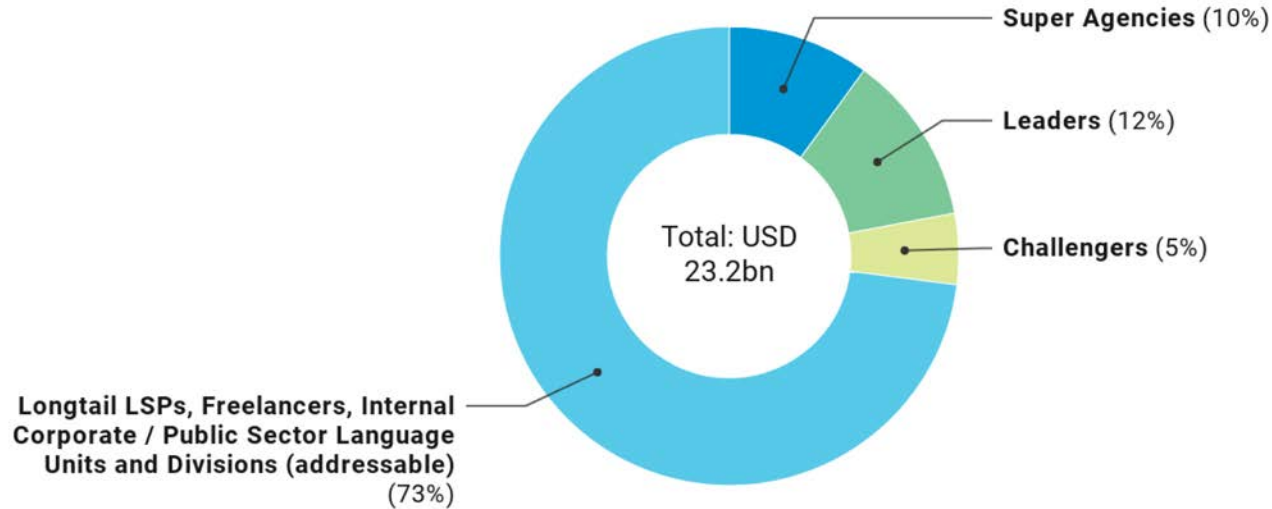
## The Language Industry in 2018

Market share by language industry segments in 2018. Addressable market in USD billion



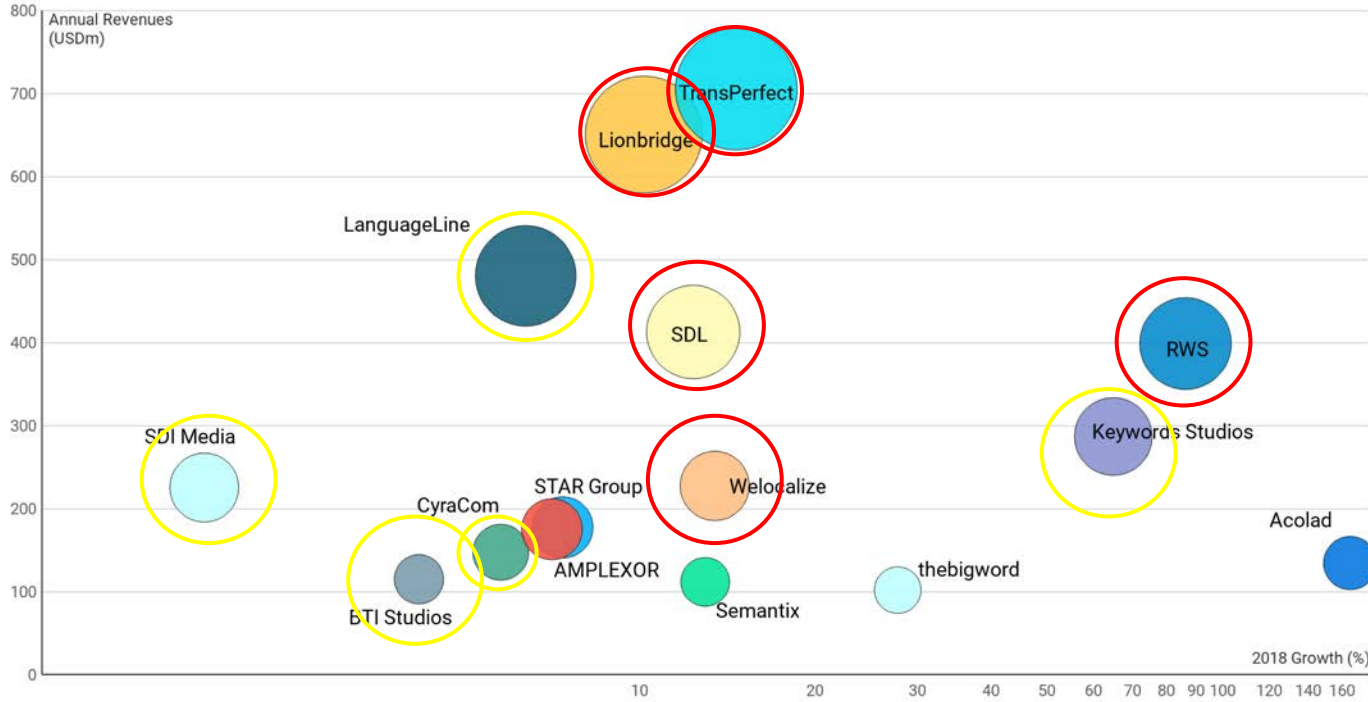
## Language Industry Segments by Market Share - 2018

% market share of language industry segments



## 5 Super Agencies and Top 10 LSPI Leaders

Log Chart: Annual revenues in USD millions. 2018 Growth in %.



Revenues converted to USD where reported in currency other than USD

Chart: Slator • Source: Slator LSPI • [Get the data](#) • Created with [Datawrapper](#)

## Language Industry Mergers & Acquisitions

Monthly # of deals 2016 - YTD 2019. Total = 156

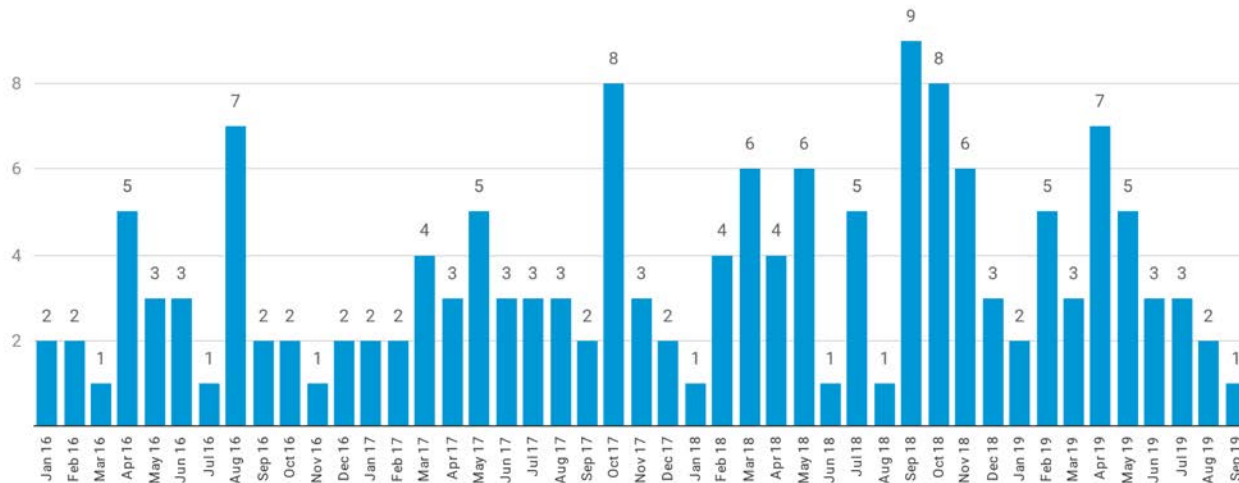


Chart: Slator • Source: Slatot • Created with Datawrapper

< 5m USD 4-6x EBITDA

< 30m USD 9-10X EBITDA

> 30m USD 10-14X EBITDA

# Recent deal highlights

- June 2019 Big Language Solutions Buys Protranslating
- PE-backed (MSouth) buy-and-build



- July 2019 French Acolad Buys Dutch Livewords
- Doubling down on European market



- Sept 2019 TransPerfect Buys MoGi (Ireland)
- Big bet on Game Localization

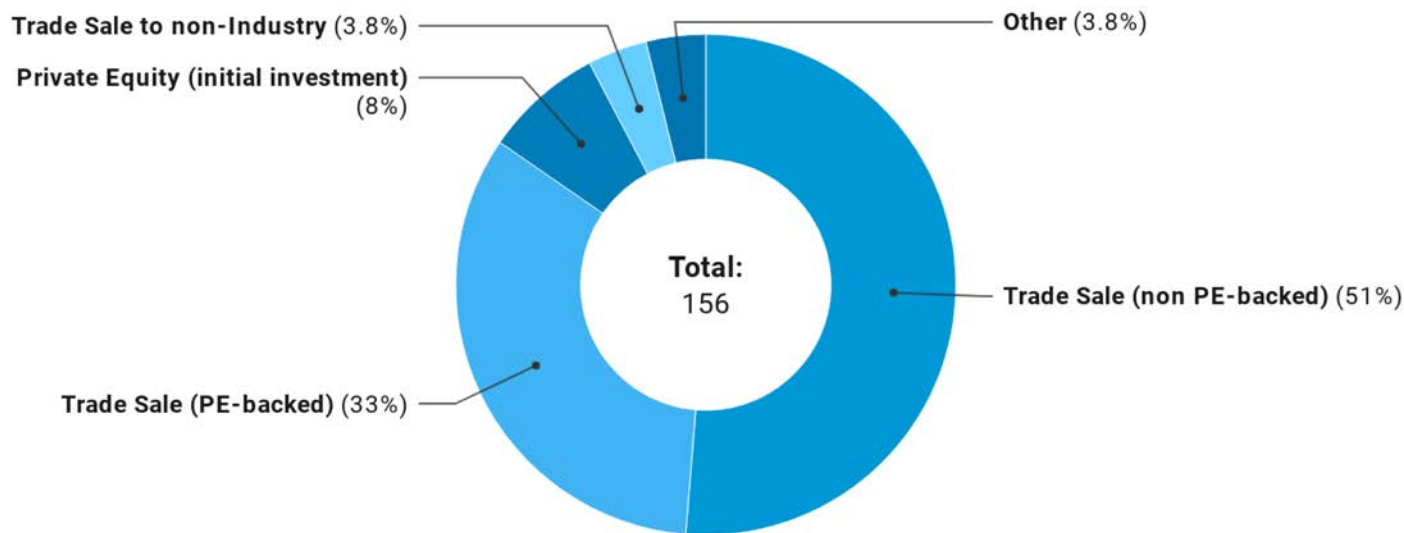


- Sept 2019 BTI Studios and IYUNO merge
- Major force in media loc now



## Language Industry Transaction Profile

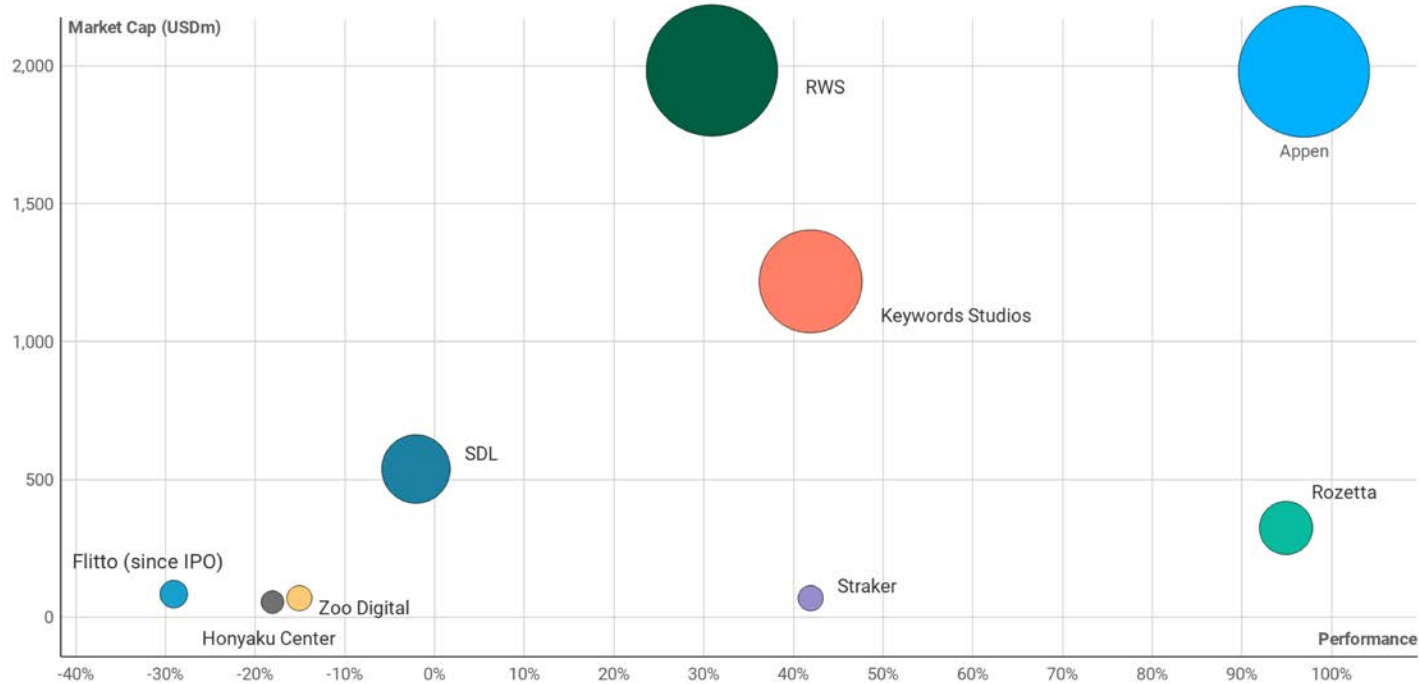
Corporate transactions covered by Slator 2016 to 2019 YTD. Does not include VC startup investments





## Listed Language Service Providers: YTD 2019 Performance and Market Cap

Market Cap (in USDm) indicated by bubble size and YTD 2019 performance



## Average Age of Language Service Providers

Based on Slator 2018 LSP Index and Slator 2019 Language Industry Market Report categorization

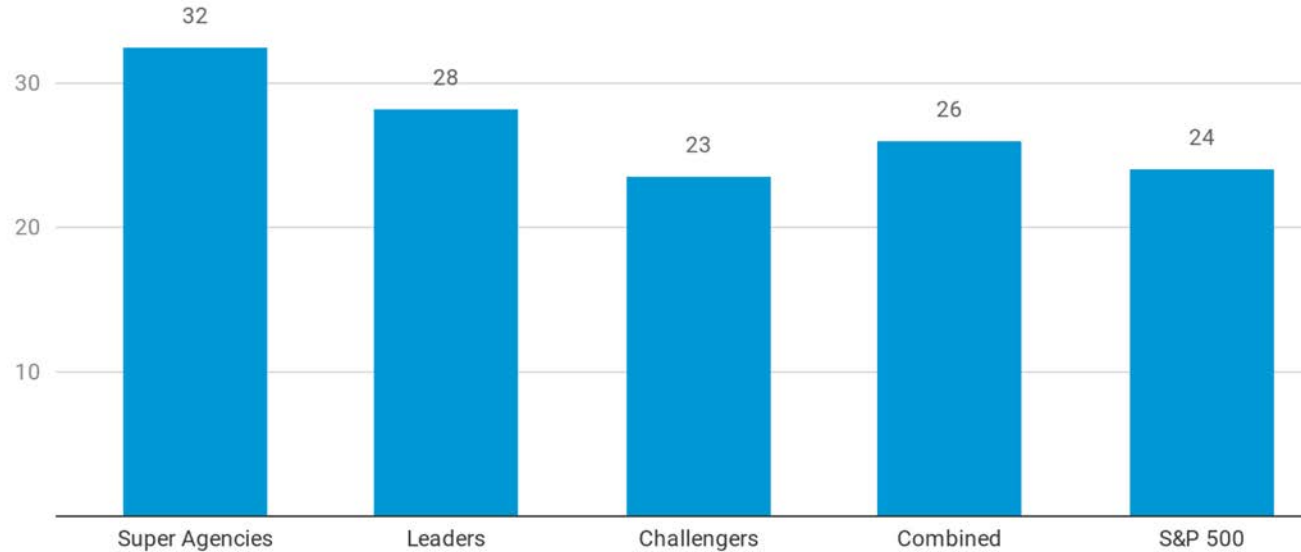


Chart: Slator • Source: Slator • Created with Datawrapper

# USD 130M raised in core localization since 2018

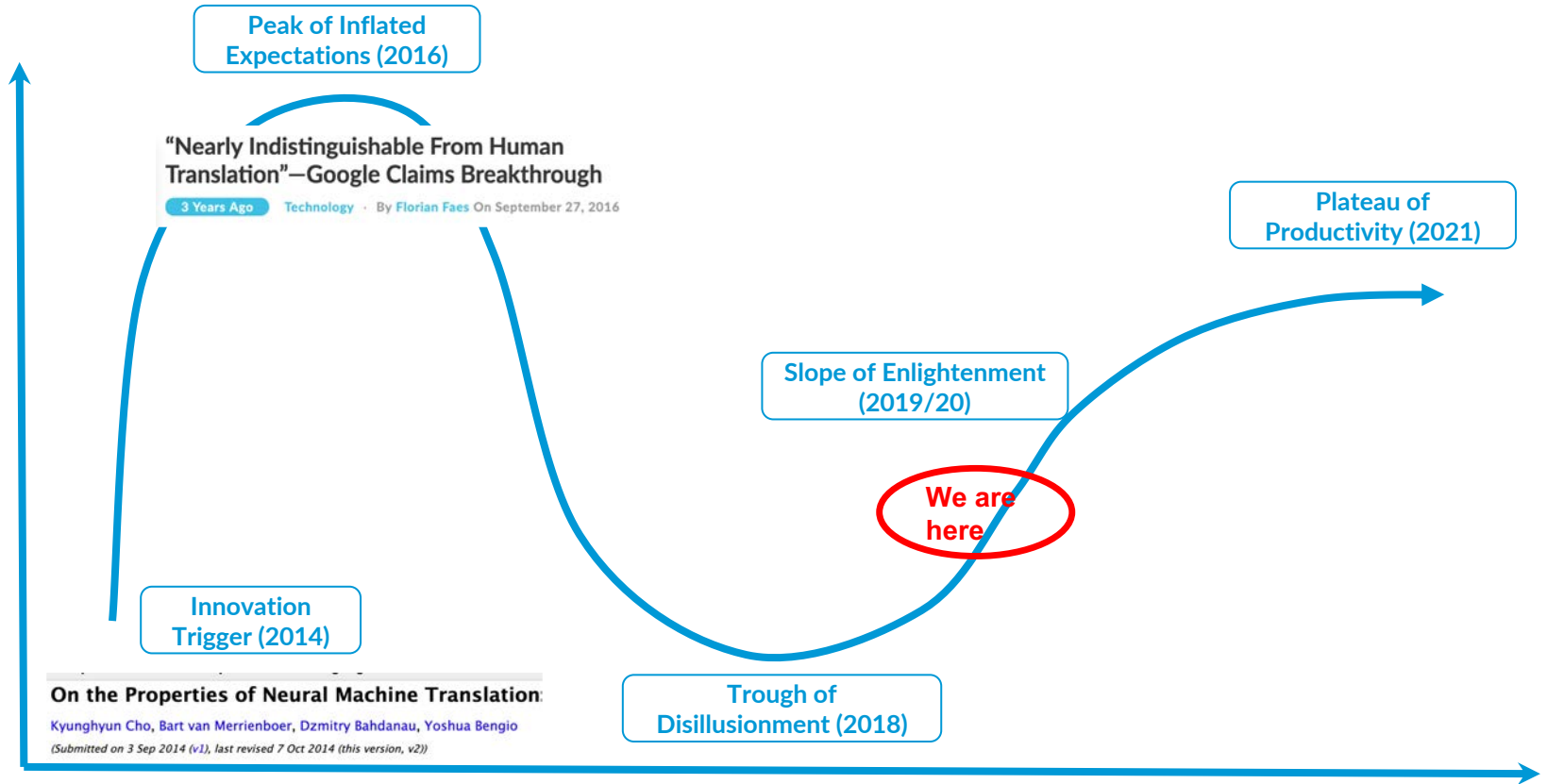
## Core Loc and Translation Technology

	USD 23m	Jan 2019	VC - Scale Venture Partners
	CHF 4.4m	2018/19	Angels, HNW, Family Offices
	USD 23.5m	April 2018	VC - Softbank
	USD 7m	June 2018	VC - Matrix Partners
	USD 3.4m	Aug 2018	Angels, HNW
	USD 9.5m	Oct 2018	VC - Redpoint Ventures
	13.6% Stake	Dec 2018	VC - Benchmark
	USD 15m	Oct 2018	IPO - Australia
	USD 23m	July 2019	IPO - Korea
	USD 1.3m	July 2019	Angels, HNW
	EUR 6m	Sept 2019	VC - RedAlpine
	USD 0.15m	Aug 2019	Y Combinator

## NLP Technology (keep an eye on this)

	USD 11.5m	Oct 2018	VC - Aspect Ventures
	USD 23m	Feb 2019	VC - Viola Ventures
	USD 3.1m	April 2019	VC - LDV Capital, Mark Cuban
	USD 4.5m	April 2019	VC - Horizons Lab
	USD 1.8m	Mar 2019	VC - Ubiquity Ventures
	USD 12m	Mar 2019	VC - Point72
	USD 100m	Aug 2019	VC - Founders Fund

# NMT increasingly productive in complex supply chains

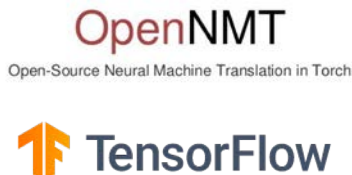


## Tech-Driven

Dozens of off-the-shelf options



Open-Source DIY Options



## Client-Driven

30M words / 2 week PEMT only option

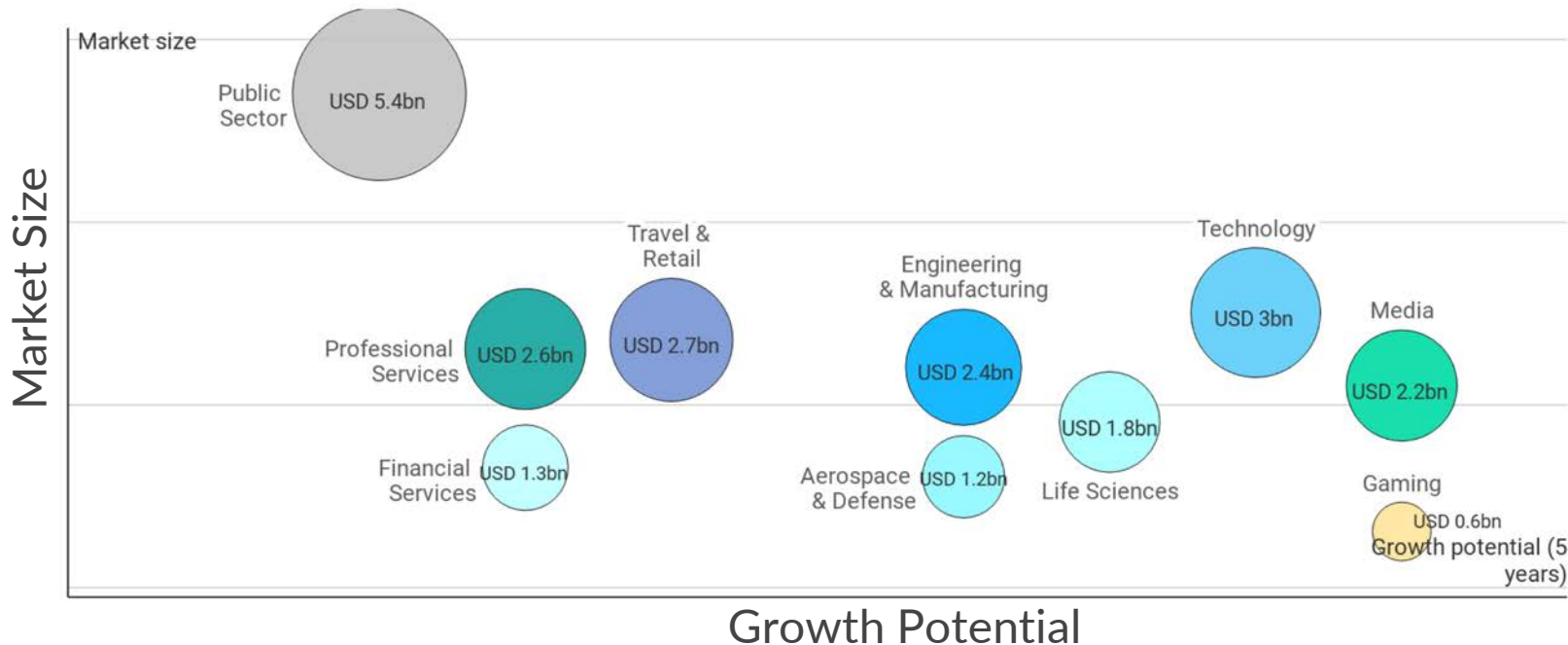


Fast adoption among mid-sized accounts



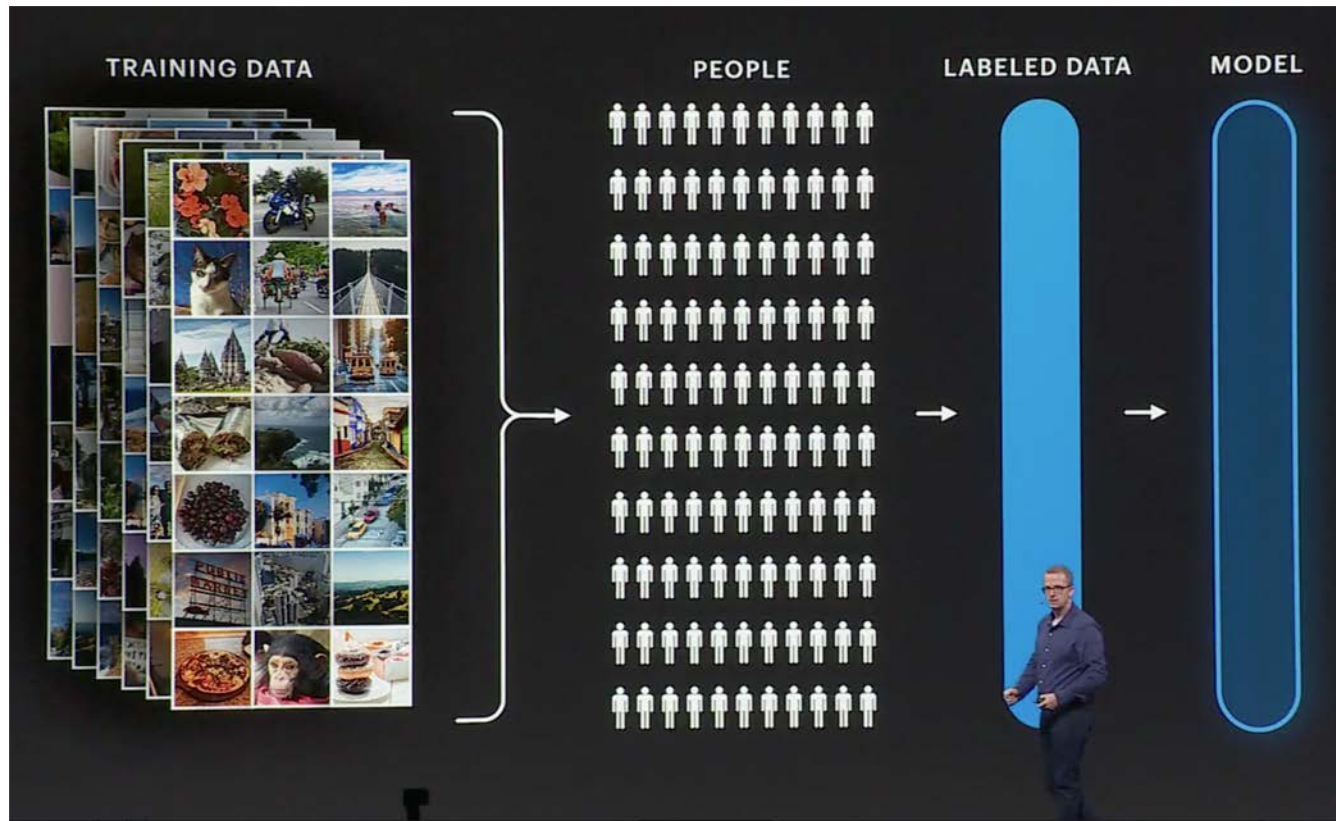
## Language Industry Sector Growth Outlook

2018 Size and 5-Year Growth Potential



*N.B. Growth potential is based on potential revenue growth of a particular vertical, and does not necessarily correlate to volume growth. Volume alone cannot guarantee revenue growth within a particular vertical given the potential impact of MT on buyer spend.*

Chart: Slator • Source: Slator LSPI • [Get the data](#) • [Created with Datawrapper](#)



- US\$23 billion market and growing
- Investor interest remains strong
- Remarkably steady M&A activity
- Entrenched incumbents
- US\$130 million raised since 2018
- NMT is here. Unevenly distributed
- Emerging loc demand from new buyers
- Adjacent businesses opening up for LSPs



Thank You