

### **Marketo Scores \$25M Series E Just Months After D Round**

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Confident that it has discovered a repeatable sales model, Marketo Inc. has secured \$25 million in Series E funding just months after a \$10 million round.

The San Mateo, Calif.-based company, which provides marketing automation and analytics software, has not had to touch the Series D round it raised in April, giving it about \$37 million in the bank to expand its sales and marketing team, said Phil Fernandez, its chief executive.

Marketo also saw a boost to its valuation from the last round. "We needed to see the kind of value that would let us" raise \$25 million without giving away too much of the business, he said.

New investor Institutional Venture Partners led the round, with support from previous backers InterWest Partners, Storm Ventures and Mayfield Fund. All the capital will be invested directly into the business.

Marketo, a software-as-a-service company, enables customers to find leads and ensure that a company's sales team is spending the most time with customers that are likely to buy. It also provides analytics that enable customers to better understand their revenue performance, Fernandez said.

The company launched its service two and a half years ago and now has more than 750 customers. Last year's revenue was about \$4.5 million and the company expects to triple that number this year, he said.

Marketo's main competitor is Eloqua Corp., which has raised about \$41 million from firms such as Bay Partners, Bessemer Venture Partners and JMI Equity Fund. Though Eloqua, which is about eleven years old, is still the larger of the two, Marketo has an advantage in that it's easier to deploy and is able to pick up smaller customers, as well as middle-market companies that are its main focus, Fernandez said.

The proceeds of the round will be used for additional sales and marketing staff and to open offices abroad. It will also seek integration opportunities with other vendors and look to launch some vertical-specific services in sectors like health care and financial services, Fernandez said.

Marketo, which has double its headcount to 130 employees in the last nine months, will add Norm Fogelson of Institutional Venture Partners to its board.

<http://www.marketo.com>

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