

Edgar Filing: Dealertrack Technologies, Inc - Form 8-K

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

TABLE OF CONTENTS

Item 7.01 Regulation FD Disclosure

Item 8.01 Other Information

Item 9.01 Financial Statements and Exhibits

EXHIBIT INDEX

EX-99.1: Press Release.

Item 7.01 Regulation FD Disclosure.

Dealertrack Technologies, Inc. (“Dealertrack”) anticipates disclosing to investors the information set forth below, which has not been previously disclosed, in connection with its entering into an agreement to purchase substantially all of the assets of Customer Focused Marketing, Inc. (“CFM”) (the “Transaction”):

Total consideration for the Transaction is expected to be approximately \$13.0 million in cash plus \$1.75 million in additional consideration to be paid to the shareholders in 18 months, subject to the achievement of certain milestones. The purchase price is subject to standard purchase price adjustments. Since the Transaction is structured as a sale of assets Dealertrack anticipates future tax savings over several years with a present value in excess of \$2.0 million due to stepped up basis in assets acquired.

For the six month ended June 30, 2013, CFM’s unaudited revenue was approximately \$3.0 million. Substantially all the revenue is subscription based revenue and is anticipated to grow approximately 35% annually over the next few years.

CFM has approximately 60 team members and over 250 subscribing customers. Dealertrack expects the integration of CFM’s business into Dealertrack’s existing operations be substantially completed by the end of 2014. As with prior acquisitions, integration costs will be added back to adjusted EBITDA and adjusted net income.

The information furnished pursuant to this Item 7.01 shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities under that Section, and shall not be deemed to be incorporated by reference into any filing of Dealertrack under the Securities Act of 1933, as amended, or the Exchange Act.

Safe Harbor for Forward-Looking Statements

Statements in this Current Report on Form 8-K regarding Dealertrack, the acquired assets and all other statements in this Current Report on Form 8-K other than the recitation of historical facts are forward-looking statements (as defined in the Private Securities Litigation Reform Act of 1995). These statements involve a number of risks, uncertainties and other factors that could cause actual results, performance or achievements of Dealertrack to be materially different than from any future results, performance or achievements expressed or implied by these forward-looking statements.

Item 8.01 Other Information

On August 27, 2013, Dealertrack issued a press release relating to the Transaction. A copy of the press release is attached hereto as Exhibit 99.1.

Item 9.01 Financial Statements and Exhibits.

(d) *Exhibits.*

Exhibit No.	Description
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99.1.	Press Release
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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: August 27, 2013

Dealertrack Technologies, Inc.

By: /s/ Eric D. Jacobs
Eric D. Jacobs
Executive Vice President, Chief Financial and Administrative Officer

EXHIBIT INDEX

Exhibit No. Description

99.1. press release