Tejal Engman, Investor Relations:

Good afternoon and welcome to DoubleVerify’s second quarter 2023 earnings conference call. With us today are Mark Zagorski, CEO, and Nicola Allais, CFO. Today’s press release and this call may contain forward-looking statements that are subject to inherent risks, uncertainties, and changes, and reflect our current expectations and information currently available to us, and our actual results could differ materially. For more information, please refer to the risk factors in our recent SEC filings, including our Form 10-Q and our annual report or Form 10-K.

In addition, our discussion today will include references to certain supplemental non-GAAP financial measures and should be considered in addition to, and not as a substitute for, our GAAP results. Reconciliations to the most comparable GAAP measures are available in today’s earnings press release, which is available on our investor relations website at ir.doubleverify.com. Also, during the call today, we'll be referring to the slide deck posted on our website. With that, I'll turn it over to Mark.

Mark Zagorski, CEO:

Thanks Tejal and thank you all for joining us today. I am excited to discuss our second quarter results and to share the significant progress we’ve made across multiple fronts — from product innovation and channel expansion to new enterprise logo wins and international growth — as DV continues to fire on all cylinders.

In addition, I’d like to discuss our pending acquisition of Scibids, a global leader in AI-powered digital campaign optimization. Scibids AI makes DV data more impactful and accelerates our evolution from protection to performance. This transformative acquisition combines our media quality and performance data with Scibids’ AI-powered real-time optimization algorithms to drive superior ad KPIs and tangible business outcomes for advertisers. Scibids will help make our sizable and successful Activation business bigger and even more essential for marketers and significantly differentiate our programmatic offering in the marketplace.

But first, let’s talk about the quarter. We grew second quarter revenue by 22% to nearly $134 million, above the midpoint of our guidance range. We achieved second quarter adjusted EBITDA of $40 million, representing 30% adjusted EBITDA margins and exceeding the top-end of our guidance range. Revenue in the first six months of 2023 grew 24%, against an elevated 43% prior-year growth rate.

The key drivers of our first half 2023 revenue growth included continued strong adoption and expansion of our ABS product, increased social platform coverage and volume, and a growing number of international wins with key global customers. DV remained highly profitable and continued to generate strong cash flow from operations. We delivered approximately $25 million of net income, and generated over $32 million of net cash from operations in the first half of 2023.

Our customer win and expansion momentum continued in the second quarter. We won several large new enterprise logos including Uber Brand Marketing, Sam’s Club, Pizza Hut, Revlon, Liberty Mutual, and Bose
in the United States, Lululemon and Unicef in EMEA, Spotify in MENAT and the Ministry of Foreign Affairs in Japan. Notable existing customer expansions include DeBeers activating DV measurement across multiple international markets, Swarovski activating DV’s measurement and pre-screen social solutions in Japan and Avis adopting ABS in the United States. Our win rate across all opportunities remained above 80%, with 54% of our second quarter wins being ‘greenfield’, which we define as wins where the advertiser wasn’t using third-party tools for the business that DV won. This high rate of greenfield wins speaks to the underpenetrated TAM that continues to fuel DV’s growth. We expect new client wins to propel our successful ‘land and expand’ strategy, through which we grew the number of advertiser customers generating more than $200,000 over the last 12 months by 20% year-over-year.

In addition to generating strong core revenue growth, we remain focused on investing in long-term strategic initiatives that leverage our core verification offering to evolve our customer value proposition from protecting media spend to optimizing media performance.

Our verification business continues to create a proprietary data asset of unparalleled scale and granularity. DV analyzes approximately 300 billion data transactions, including 60 years of video content, on a daily basis. Our investments in performance solutions have leveraged this vast data asset to create measurement products such as DV Authentic Attention as well as pre-bid, programmatic, tools such as ABS that are based on aggregated measurement data and contextual intelligence.

The acquisition of Scibids represents the latest and potentially most impactful of these evolutionary investments to unlock even greater value in these proprietary data assets.

Scibids is a cutting edge, Paris-based startup founded by a team of data science PhDs and machine learning engineers who are driven to bring programmatic advertising into the AI age. Scibids builds independent AI that automates and optimizes programmatic buying of digital ad campaigns agnostically across demand side platforms. Their AI dynamically generates custom bidding algorithms aligned with client KPIs and desired outcomes.

Scibids’ powerful and sophisticated machine learning technology can dynamically action DV’s granular measurement data within a programmatic ad campaign. DV and Scibids’ combined customer value proposition is to deliver industry-leading campaign performance based on bespoke ad KPIs or business outcomes, by offering a continuous feedback loop between activation, measurement, and optimization. This loop is powered by Scibids AI technology and DV’s trusted media quality and performance data that is comprehensive, granular and actionable in real-time.

For example, Scibids can dynamically optimize advertiser campaign performance against customizable KPIs and desired business outcomes using DV’s Authentic Attention measurement data. The algorithmic bidding function that Scibids builds can deliver results that far outstrip static programmatic segments, ushering in a new era for results-driven advertisers. In addition to DV’s proprietary data, Scibids AI is able to ingest a wide range of data points, including first-party data, third-party contextual data, alternative media quality and performance measurement data, programmatic bid stream data and pricing data – all to help inform advertisers’ programmatic strategies in a way that maximizes campaign performance. This means that even if an advertiser is not a DV measurement customer, we can still help them deliver powerful results from their programmatic spend. And, that ad spend can be across any of the major DSPs where Scibids complements their platforms and has seamless integrations including The Trade Desk, Google’s DV360, Microsoft’s Xandr, Comcast’s Beeswax and mobile platform Kayzen.
We have seen the power of Scibids’ AI technology first hand. In partnership with Scibids, we recently launched the DV Algorithmic Optimizer, where Scibids AI ingests impression-level DV Authentic Attention® data and campaign cost data, enabling advertisers to automatically optimize towards the best performing inventory at the best price, while maintaining scale. In the results of the initial tests, on average, we observed a 45% reduction in media CPMs, a 63% increase in attention levels and a 95% increase in impressions won.

The Scibids acquisition also has the potential to enhance and differentiate DV's measurement business. Not only will our existing measurement data be significantly more actionable and impactful in programmatic activation applications, but Scibids AI will also help enhance the precision and effectiveness of measurement datasets such as Authentic Attention. By weighting attention signals against conversions and other ROI measures, DV can construct customized measurement metrics based on specific KPIs and/or verticals. Simply put, the results of algorithmic optimization in Activation applications will help enhance the construction of a truly differentiated Measurement data set.

Scibids shares DV's values of transparency, independence and innovation. Both companies are ad server and DSP agnostic and do not buy or sell media. Both companies’ solutions are privacy-forward and don’t use persistent tracking technologies, such as third party cookies or Apple’s IDFA. And both companies have a legacy of leaning into machine learning based AI. Scibids will bring nearly 20 data scientists and engineers to DV, which will augment and accelerate our existing machine learning programs with critical AI talent that is difficult to source.

To demonstrate the power of Scibids AI and explore the future of AI driven innovation at DV, Scibids and DV’s executive leadership teams along with industry experts will be hosting an in-person Innovation Day for the investment community on Thursday, September 14th, from 1pm to 4pm at The Standard Hotel in New York City. The event will also be webcast live.

As you can tell, we’re excited about the opportunity Scibids creates to help our customers harness the power of their DV data to optimize and maximize campaign performance. Acquiring this AI-powered technology allows us to meaningfully elevate our customer value proposition across activation and measurement while also increasing our potential TAM with performance driven advertisers, creating broader upsell opportunities for current and new customers.

I would like to turn now to the key growth milestones we achieved since our last earnings call. I will discuss these in the context of our three core differentiators: our rapidly growing scale, our focus on market defining innovation, and the deep level of trust that we build with our customers as an unbiased, independent partner.

Starting with our expanding coverage scale, we continue to grow our measurement breadth across key social platforms with a focus on short form video, which has a steep growth trajectory and an impressive ad load that offers a unique opportunity for advertisers and DV. Hubspot’s State of Marketing 2023 study expects short-form video to see the most growth of all marketing strategies this year as one in five marketers plan to leverage short-form video for the first time in 2023.

To that end, we are excited to expand our viewability offering on Meta to include measurement on Facebook and Instagram Reels, a rapidly-growing short-form video environment with a highly-engaged user base. With Reels plays exceeding 200 billion per day across Facebook and Instagram, Reels is sought
after by advertisers, who can now leverage DV’s viewability and fraud measurement technology for insights into which of their ads are being seen by real users and driving results for their campaigns.

We are also excited to announce the expansion of our quality solution on YouTube to enable measurement on YouTube Shorts. DV’s launch of viewability and fraud measurement across YouTube Shorts inventory will help advertisers ensure that their ads are viewable and safe from fraud, thereby providing performance insights across a greater volume of ad impressions on YouTube.

To conclude on short-form video, we continue to build momentum with TikTok, which contributed nearly a third of our social measurement revenue growth in the second quarter as customers rapidly activated the DV Authentic Ad. We generated more TikTok revenue in the second quarter than we did in full-year 2022 and TikTok remained our third-largest social revenue generator, after Meta and YouTube. International markets fueled a good deal of our TikTok growth, where we continue to focus on maximizing our language coverage and plan to be live with brand safety and suitability in 25 additional markets in the second half of the year.

Overall, we grew social measurement volume by 41% year-over-year in the second quarter. Our social revenue growth in dollar terms continues to be led by advertisers leveraging our solutions on Meta, which generates almost half of our social measurement revenue. In addition to offering a greater breadth of verification coverage across its platform with Reels, Meta remains committed to providing advertisers with a deeper level of transparency through brand suitability controls and verification. We continue to engage with Meta on brand suitability verification and measurement solutions and look forward to rolling out an expanded DV Authentic Ad in the coming months.

Turning to CTV scale, we grew CTV measurement volumes by 32% in the second quarter, outpacing the 14% CTV revenue growth rate expected of the industry in 2023, according to IAB’s research. And, since we launched viewability verification and fraud protection coverage on Netflix’s ad-supported plan in March, we’ve seen four consecutive months of growth, both in the number of advertisers using our solution and in impression volumes. We expect long-term growth as Netflix continues to innovate its advertiser offerings.

In addition, we continue to scale across retail media networks, which generated 81% year-over-year revenue growth in the second quarter, with revenue contribution across all three business lines. Our measurement tags are accepted on over 50 of the key global retail media networks and sites, including 12 of the top retail media platforms and 39 major retailers. Moreover, our partnerships are global, with DV’s measurement coverage of Retail Media spanning all major geographies, including the US, EMEA and APAC, with international partners such as Sainsbury’s, CitrusAd and Ztech working with DV for verification.

Staying with scale across ad networks, we were excited to share the news last week of a new partnership with Uber’s advertising platform to help advertisers verify their media spend and maximize campaign performance across the Uber Journey Ads ad format in the United States. Uber’s mobility ad inventory represents a new source of measurement impressions for DV, across an ad network with growing scale and unique first party data. We look forward to bringing Uber’s advertisers a higher level of trust and transparency as we broaden our quality coverage across another major tech platform. In addition to this supply-side partnership, we are also excited to announce that we have added Uber to our roster of Nasdaq 100 advertisers, which includes the likes of Amazon, Meta, Airbnb and Adobe. Uber Brand Marketing selected DV as its exclusive measurement partner for its own media spend globally, across all lines of business and geographies. This is another great example of the network effect between our platform and
advertiser businesses. DV is uniquely positioned to be embedded in the world’s largest advertising platforms as a verification partner AND to be selected by the brands that power these platforms, including Amazon, Meta, Adobe and now Uber, to verify and protect their own advertising spend.

Shifting gears to scale through international business expansion, we’ve continued to grow our commercial footprint to 27 locations, through the launch of business operations in Indonesia, the Philippines, Vietnam and three more locations in Europe. We grew international measurement revenue by 39% year-over-year in the second quarter, with EMEA growing 33% and APAC delivering 50% growth. International growth has strongly rebounded as advertisers activate DV’s social solutions across more markets as we expand platform coverage and roll out additional language capabilities.

Turning to innovation, we launched two new programmatic attention optimization solutions in the second quarter. I touched on the DV Algorithmic Optimizer, a product recently developed with Scibids, that puts DV’s clients at the forefront of using AI to power attention-based bidding. We also launched the DV Universal Attention Segment, which is a pre-bid programmatic segment powered by best-in-class machine learning and data from DV Authentic Attention®.

In CTV, we found that attention measurement for CTV was the single most requested attention solution from advertisers. So, we joined forces with TVision to develop a solution that will combine DV’s scalable ad exposure data, including viewable time and fully on-screen measurement, with TVision’s viewer presence and eyes-on-screen ad attention signals, that will deliver the most holistic attention measurement solution for advertisers looking to gauge their performance on CTV.

To conclude on the differentiated pillar of Trust, we are pleased to be expanding our partnership with Roku as we work jointly to investigate and mitigate emerging ad fraud schemes in CTV, following our successful neutralization of Smokescreen, a sophisticated ad fraud scheme that targeted CTV devices, siphoning over $6 million monthly from unprotected advertisers and publishers. In addition, DV’s viewability and programmatic analytics are integrated with Roku’s OneView platform, with a plan to expand DV’s quality and performance offerings in the coming months.

Finally, we continue to demonstrate our commitment to providing identity independent, privacy-forward, secure tools by completing several annual privacy focused third party attestations, conducted by TrustArc, and further expanding their scope to cover the full enterprise. These include TrustArc’s International Privacy Verification and the APEC-CBPR and APEC-PRP certifications. We remain the only company in the ad measurement and verification space to achieve these privacy focused attestations. In addition, we have successfully achieved SOC 2 Type II compliance and have been issued a report with no qualified opinion for the fourth consecutive year, cementing DV as the leader when it comes to global data privacy compliance, data protection and information security, which is the foundation of trust upon which we’ve built our market-leading technology.

To conclude, we are successfully building on our core differentiators of scale, innovation and trust and strategically positioning DV for industry leadership and market share growth for years to come. Our strategic investment in AI-powered campaign optimization technology like Scibids AI is expected to unlock new growth for our Activation and our Measurement business as we continue to create dynamic, market leading solutions that drive real outcomes for our customers. We continue to expand coverage across Social to provide advertisers with verification everywhere and for every ad impression. And we remain laser-focused on growing and realizing our solid pipeline of new and expansionary deals that will create an even stronger long-term growth trajectory for DV. With that, let me hand the call over to Nicola.
Nicola Allais, CFO:

Thank you, Mark. And good afternoon, everyone. We delivered solid revenue growth and strong profitability in the second quarter and the first half of the year, in the face of elevated prior-year growth rates.

The business performed broadly in line with our second quarter expectations. Revenue came in slightly above the midpoint of our guidance range while adjusted EBITDA exceeded the top end.

Second-quarter revenue growth of 22% was driven by 29% growth in activation revenue, 16% growth in measurement revenue, and 4% growth in supply-side revenue. Advertiser revenue, which includes activation and measurement, grew 24% year-over-year and continued to be volume led. Second quarter volumes, or MTMs were up 24% year-over-year, while price, or MTF was unchanged. The price impact of the continued mix shift toward premium-priced solutions and the ABS price bifurcation that was implemented this year was offset by strong revenue growth in international, where our fixed fees are lower than in the US, commensurate with media costs being lower in international markets. Additionally, the price bifurcation of our standard programmatic products last year contributed to 10% MTF growth in Q2 2022, creating a substantial prior-year comparison.

Activation revenue was led by ABS, our premium-priced solution, which delivered 51% revenue growth in the quarter and comprised 56% of Activation revenue compared to 48% in the prior year period. ABS volumes were up 48% and the product’s fixed fee was 2% higher. ABS’s growth was largely driven by existing ABS users continuing to expand their ABS usage with new advertiser activations also contributing to the growth.

Turning to measurement, revenue grew 16% driven by 41% growth in social volumes with nearly half of our social revenue growth coming from markets across EMEA and APAC. Overall, international measurement revenue grew 39% as compared to 18% in the second quarter of last year, primarily driven by existing customers expanding their use of DV’s solutions on social platforms. International represented 27% of total measurement revenue in the second quarter.

We expect measurement growth to continue to be driven by existing customer expansion on Social, as we roll out the DV Authentic Ad on Meta Reels and YouTube Shorts and expand language coverage on TikTok. We expect non-social measurement growth to be mainly driven by new enterprise logo wins and therefore subject to the timing of when new customers sign, onboard, and ramp their ad campaigns.

Supply-side revenue grew 4%. The majority of our supply side revenue is generated by platforms, which include SSPs, DSPs, marketplaces, ad exchanges and retail media networks. DV’s successful platform offering is well penetrated across the ad tech ecosystem and we expect incremental revenue growth to come from the adoption of new product offerings, such as DV’s Brand Safety Floor, by existing platform customers as well as new wins such as Outbrain, who signed a multi-year contract for Brand Safety and fraud avoidance in the second quarter.

Shifting to expenses, cost of revenue increased by approximately $7 million, primarily due to an increase in costs from revenue-sharing arrangements with programmatic partners tied to higher programmatic revenue, as well as an increase in cloud services costs. Revenue less cost of sales was 80% in the first half
and is expected to remain relatively stable for the remainder of the year as we continue to invest in scaling the infrastructure needed to support our growth.

Similar to the first quarter, product development expenses increased due to our ongoing investments in AI and machine learning engineering resources. Sales & Marketing expenses increased as we launched business operations in several international markets, executing on the international business expansion plans we discussed last quarter. G&A expenses declined year-over-year due to lower compensation and insurance expense, despite a $1.5 million increase in bad debt expense primarily related to a reserve for the MediaMath bankruptcy. We continue to expect both Sales & Marketing and G&A to benefit from our growing scale. Total Non-GAAP operating expenses, which exclude stock-based compensation and other items for comparability, grew 18% compared to our top-line growth of 22%, reflecting the efficiency of our operating model as we scale.

We achieved second quarter adjusted EBITDA of $40 million and adjusted EBITDA margins of 30%, partially due to G&A savings and a pace of hiring that was slightly slower than planned. We delivered approximately $13 million of net income as compared to $10 million in the prior year. Net operating cash flow was $32 million in the first half of the year as compared to $27 million in the first half of last year. Capital expenditure was approximately $8 million in the first half of the year as compared to $14 million in the first half of last year which included the expansion of our global headquarters. We ended the quarter with approximately $295 million in cash on hand.

Turning to guidance, we expect third quarter revenue in the range of $135 to $141 million, which at the mid-point implies growth of 23% year-over-year. We expect third quarter adjusted EBITDA in the range of $39 to $41 million, which at the midpoint implies an EBITDA margin of 29%. For the third quarter, we expect stock-based compensation to range between $15 and $17 million and weighted average diluted shares outstanding to range between 173 and 175 million shares.

Following a second quarter topline performance that was broadly in line with our expectations and accounting for some friction as a few of our large advertisers transition to new DSPs, we are reiterating our full-year 2023 revenue guidance range of $557 to $569 million, a year-over-year increase of 24% at the midpoint. We are also reiterating our adjusted EBITDA guidance range of $171 to $179 million, which continues to represent an adjusted EBITDA margin of 31% at the midpoint.

Turning to Scibids, we have agreed to acquire this industry-leading AI technology for $125 million with a mix of cash and equity. Approximately $66 million of the purchase price is expected to be paid in cash, which we will fund with cash on hand, and the remaining consideration will be paid in DV common stock. The deal is subject to customary adjustments and with potential additional consideration to be paid based on Scibids’ achievement of certain performance milestones by year-end 2023.

While we are not providing 2024 guidance today, we expect Scibids to generate between 15 to $17 million in 2024, based on a 30 to 40% year-over-year growth rate. The Company is near breakeven today and we see the opportunity to scale Scibids’ product across our customer base. We plan to enhance Scibids platform and value proposition through investment in people, software, processes and systems and by building scalable data integrations between our two companies. We anticipate completing the transaction by the end of the third quarter and plan on updating 2023 guidance to reflect the impact of Scibids after the transaction has closed.
To conclude, we delivered a strong first half and remain focused on successfully executing against our plan for the rest of the year. And with that, we will open the line for questions. Operator, please go ahead.

Question And Answer Section

Michael Graham, Canaccord Genuity:

Hi thank you, and congrats on the steady growth. I wanted to dive into the AI topic of Scibids for a minute. And Mark, you have mentioned in the past that the interplay between Measurement and Activation is a key multiplier for your business. Can you just talk first about like how does Scibids fit into your business model?

Should we think of it as another product like Authentic Attention that advertisers can use? Or is it going to be more integrated into your product road map? And then just talk about more broadly, how do you think it impacts your long-term product road map?

Mark Zagorski, CEO:

Thanks for the question, Michael. And it’s--as you could tell by the call, we are really excited about this acquisition. I think the short answer is both. It is a separate product for us that we’ll be able to leverage in activation applications using our data for advertisers as well as it has the ability to enhance our entire product set by using some of the outputs of the learnings from the activation implementations to enhance our measurement business.

I like to think of it as having had three main buckets of impact on the business. The most obvious one is on the revenue side, right? On its own, it’s a product that we’ll be selling in conjunction with them to leverage our data. But also, it’s going to help us as a differentiated product set to sell enterprise customers because the second bucket is really a huge differentiator for us. No other company in our space has a product like it. And it really sets apart our bundle of goods or basket of goods that we’ll be able to sell folks.

So, it will drive revenue, a differentiator. And I think, finally, it opens up new markets for us. We get the question a lot, how do you guys deal with, for example, performance-based advertisers or DR folks? This really speaks to them because it is an activation tool set they can leverage our data but do so against specific KPIs. And those KPIs can be things like acquisitions or new customers, things like that.

I think it really hits those three marks, which is revenue differentiation, and it has new market expansion. I like to think of it almost as a future ABS on steroids. It really has the ability to drive optimization in a really unique way.

Matt Swanson, RBC Capital Markets:

Thanks, guys, for taking the question. For Nicola, you’ve got a history of being very pragmatic around guidance. Could you just kind of talk to us about how you’re thinking about the macro environment for the rest of 2023? And then maybe, just given the durability of your volume based model, can you maybe help us think about how potentially a better spending environment shows up in that MTM, MTF equation?
Nicola Allais, CFO:

Yeah, I’ll take the question, Matt. So, as we said at the beginning of the year, I think from our perspective, the macro to us is something that is not providing strong tailwinds this year. We’ve taken a conservative view and sort of a limited outlook view, right? So, we’re looking at it on a quarter-by-quarter basis, based on what we’re seeing through the spending patterns of our advertisers.

So, we’re not seeing it as a strong tailwind. This is certainly not something that we’ve put into our guidance consideration for the second half of the year. If there were improvements, I think what you would see is an MTM growth number that would be above what we’ve been able to achieve in Q2, which was 24% growth in MTMs. I think what you would see is an increase in the MTM part of our equation.

The MTF is actually a good story. It was unchanged this quarter just because our international growth is very strong. And that has an impact on MTF because the price of media outside of the U.S. is obviously lower than in the U.S. but, when you see a 39% growth in the rest of the world, on the Measurement side of the business, that actually is positive, which has an impact on MTF, which is basically flat. If the market were to really rebound strongly, I think our assumption of no tailwinds returning to strong billings.

Matt Swanson, RBC Capital Markets:

That’s really helpful. And if I could squeeze one in more for Mark. Greenfield wins are really impressive at 54 percent, but maybe like a slight step back than what we’ve seen in the last few quarters. Could you just kind of talk about the dynamics of the quarter, whether it be competitive, vertical, geo-specific that led to that change? Or were the last few quarters of being high 60 percent, 70 percent, was that more the anomaly from a greenfield perspective?

Mark Zagorski, CEO:

Yeah, it’s a great question, Matt. It was definitely a bit of a slide in the percentage of greenfield wins. I think it’s a bit of an anomaly based on where we think the future lies, particularly around our Activation business and the Scibids acquisition. That being said, we still beat a lot of competitors. And I think that’s the good thing too.

And then, one thing about being a competitive deal, and this may reflect a little bit in some of the numbers we shared, is that when you beat a competitor, you have to dislodge a product. And it takes a bit longer to do so than just turning somebody on from scratch, who is not using anything. So, I think we love greenfield wins, we love competitive wins. All wins are good. Some take a bit longer to activate than others. And I’d say those are in some cases the competitive wins.

Laura Martin, Needham & Company:

Thank you. Okay. My first one is on Attention. Mark, you sort of been spearheading the pivot towards Attention, and it’s getting really great resonance. Love the deal with TVision because they’re the other sort of leader. You guys are the tip of sphere in redefining Attention. My question is, can you bring us up-to-date on this metrics pivot towards Attention in the digital space?
But secondly, my recollection is they’re based on a panel. So, I would love your thinking about why a panel plus your super-high tech is worth more than just your standalone solution to Attention.

Mark Zagorski, CEO:

Great question, Laura. And, yeah, we really are pushing the boundaries on the Attention definition. And I think the TVision deal is a good example of that. And the combination—we’ve obviously got the combination of a gold star panel with the reach of granular data and scale is the best solution you can put together out there.

And the reason why is that panel that TVision leverages can provide some really unique insights on behavior, particularly on the TV front, that you just can’t get from a granular data set on its own. So, I think it does add. We baked an incredible cake, and TVision adds this frosting that just makes it so much better and gives us an Attention solution that really is unmatched.

I think when you combine that now with what we’ve been able to do or what we’ll be able to do with the Scibids acquisition, and what we’ve already shown, we announced that initial partnership with them a little bit over a month ago. And our initial trials on Attention really had some exceptional results when you are looking at the number of won impressions increasing by over 90 percent with Attention increasing significantly as well.

I think the combination of having a panel plus granular data solution on the metric side, plus an algorithmic, fee-based Optimization tool set on the Activation side for Attention, which no one else will have, it puts us really in a very unique position around Attention as we move from that whole area of being accepted by the marketplace to actually it being commercialized at scale.

Laura Martin, Needham & Company:

Super helpful, Mark. And then on Roku is all over your press release today. And my question to you is that I love Roku. It’s great for me that you’re doing all this work with them. My question to you is, you charge $0.08 for Measurement, $0.21 for Activation. Why are you spending any time per impression, per 1,000 impressions.

Why spend any time in CTV because for the same price, you can allocate that time for rolling out another Meta product or rolling out another TikTok product where you’re getting lots of new impressions from both existing and new clients, onshore and offshore? If you’re just going to get a fixed fee, why spend any time in connected television where CPMs are 35, but they are not that many thousands. There’s not that many impressions compared to social. So, that’s my second question. And thanks very much.

Mark Zagorski, CEO:

It’s a really interesting question, Laura. And I think the short answer is, it’s because our customers are there. And our driver has always been to measure every impression on every platform in any market anywhere on the planet, right? And CTV is part of that. We want to have a basket of goods, so when an advertiser is spending on Roku or spending on Meta or spending on the open Internet or buying programmatically, that we’re there.
I think it’s important for us to be in CTV. For sure, the volumes are very different than what you’d see, for example, in short-form video, which has been a real interesting growth area for us in areas like TikTok or Reels. For sure, the volumes are different there. However, if an advertiser says, we want DV everywhere, you need to be everywhere. And we want you across CTV.

I think it’s part of this idea of having a basket of goods that covers all the bases, so that when you close an enterprise customer, an enterprise advertiser, like a Sam’s Club or like an Uber, and they are advertising across all these different venues, they want us there. I think it’s really important.

**Raimo Lenschow, Barclays:**

Hey, thank you. And sorry to go back to macro a little bit, if you think what you are seeing out in the world there, there were other companies that reported this afternoon as well, where it looked like it was incrementally getting a little bit worse. I know you talked on the call about it. But, if you think about how you would characterize what’s going on out there, it felt like we had the profit at the beginning of the year, it got a little better. Is it getting a little bit worse that you kind of increased your caution? Or how does it feel out there? Sorry, I know you kind of tried to answer it already. I’m just trying to dig deeper. Thank you.

**Nicola Allais, CFO:**

Yeah, Raimo, what I would say is we haven’t seen much of a change. I would say that what we’ve seen in the market is also the benefit of lower comps for some of these companies, which, as you know, our model is fairly steady in a good environment versus a bad environment, especially related to CPMs.

We have not seen a material change in the environment, and we’re taking a cautious approach towards it. The one number that we do track is Magna. And they published in June and didn’t essentially change their forecast for the year. So, I would say those are the two things we’re seeing, probably some lower comps for some of the companies that are reporting and a general unchanged environment for us and our view that we’ll take the tailwinds only when they really appear.

**Raimo Lenschow, Barclays:**

Yeah. Okay, perfect. And then, how are you thinking about your setup in terms of growth? International was really strong. As we go further through this, and people talk about soft landing, how do you think about that balance of maintaining that high discipline around margins and profit, which you do, and well done, and also getting ready for any potential improvement in the underlying business? Thank you.

**Mark Zagorski, CEO:**

I think we have been pretty clear that we’ve continue to invest even when the market has not been extraordinary. And I think that investment is going to pay off. Whether it’s our R&D expenses, which we continue to lean into to build new products and new coverage, or the acquisitions that we just did, we are ready when the market tailwinds do materialize to take advantage of those.

I think even in cases where we’re looking at some of the enterprise clients that we’ve added to our roster, their spend has been relatively muted. I think when they’re ready to start spending as well, we’ll be able to experience that. So, closing lots of deals now, even if those deals aren’t huge, and investing in
our technology and spending money on acquisitions, all those things together are going to put us in a great position when that tailwind does hit.

Youssef Squali, Truist Securities:

Yes, thank you so much. So, maybe one question for Mark and one for Nicola. Mark, just going back to the Scibids acquisition, obviously congrats on it. But, just kind of a high level, and I think you spoke about TAM expansion as a result of this. Maybe can you just drill a little deeper into that, how this kind of allows you to move into more performance? And if you can maybe quantify kind of the potential TAM. And who are you also competing with for this type of offering now that you’ve doubled down on AI as part of the offering?

And then, Nicola, can you maybe just speak a little bit to your guide for the year, particularly around the second half, and your expectations for growth in Activation versus Measurement? Thank you.

Mark Zagorski, CEO:

Yes, some great questions, Youssef. Let me talk a little bit about Scibids and what it does for business opportunities for us. With regard to expanding those opportunities, the first thing, which I mentioned previously, is it opens up a whole new set of customers. And those are customers who are really driven by very specific performance KPIs, so direct marketers, those who drive business based on a CPA or acquisition-based data point.

A lot of those folks, brand safety and suitability has been a consideration but not an absolute, right? This gives us a new tool set to approach folks like that, that we could put together a unique offering for them. It adds a whole new customer tool set, a new customer potential for us. The second is if you think about what percentage of digital ad spend programmatic makes up, it’s roughly 85 percent-plus if you take search out of digital ad spend.

We are still not even close to getting to that level of our business being at 85 percent of our revenue coming from programmatic. I think this opens up new opportunities to take advantage of customers who are spending a significant portion of their business across programmatic. And then finally, when you think about it, and one of the things I mentioned in the earnings call, it’s great that we can leverage our data in Scibids. And we’ve already done that, for example, across our Attention data sets. We’re doing it—we’re experimenting with some other data sets.

But, the great thing about Scibids is that it can work with any data set, even our competitors’ data sets, to optimize. It gives us an entirely new group of customers that may not even be Measurement customers for ours. Now, we hope they will be down the road as we sell them a complete package. But, there are customers who may be using competitive data that can be potential customers.

If you think of that as far as ratcheting up our programmatic tool sets, giving us an opportunity to talk to a different type of customer, a DR customer, and then giving a chance to talk to customers that aren’t even DV Measurement customers, I think it shows that there’s real expansion opportunity for us.

What that looks like, I mean, programmatic is a multibillion-dollar business. This is a take rate business. The Scibids business is a take rate business, so some percentage of that billion. We are not ready to put our finger on that just yet. But, I think it’s a big TAM expansion for us.
Nicola Allais, CFO:

And, Youssef, on your question about the second half and the mix of the business, we basically ended the first half with roughly 30 percent growth on Activation, roughly 20 percent on Measurement. I think we are continuing to be excited about the contribution of ABS in the Activation line, and we’re really excited about the contribution of Social in the Measurement line.

I think those two are good indicators of what we’re thinking will continue in the second half. As a result, obviously you’ll end up with Activation representing a larger percentage of our total revenue. The key growth drivers of those two lines remain the same as what we see in the first half.

Eric Sheridan, Goldman Sachs:

Thanks so much for taking the question. I wanted to focus on Slide 12 on the retail media network disclosure that was in the deck for the earnings. Can you talk a little bit about how we should be framing up the opportunity set you see when you lay out 12 retail media platforms, 39 retailers, the number of global partnerships? How should we be thinking about elements of both client growth, spend, scale building in that business on a multiyear view versus what you’ve already seen in the recent past? Thanks so much.

Mark Zagorski, CEO:

Yeah. It’s a great question, Eric. I mean, obviously, retail media networks continue to be a bright spot in our business, growing at over 80 percent this year. And the nice part about it for us is that it covers all three line items of our business, right? We work with folks, retail media networks, both on the Measurement side, the Activation side, and the supply side.

And I think we’ve kind of given rough numbers on a quarterly basis, what this looks like. Generally, it’s grown. In Q1 it grew over 100 percent. This quarter, it’s grown over 80 percent. We’re working with some of the biggest customers, retail media networks out there, like Target, Kroger, which we closed around this time last year, Macy’s, Dollar General, Walmart, Amazon, I mean big companies.

What does this mean for us a potential upside? I mean, this was a business now which I think is approaching $30 million, $40 million for us a year, which I think is pretty substantial coming from zero just a few years ago. And as that sector continues to grow and these companies continue to be more sophisticated, our business opportunity gets stronger and stronger.

The other thing it does is we’ve got a really strong footprint of CPG companies that we work with, so folks like Colgate, Mondelez, and Unilever. It just makes our connection with those folks that much stronger, right? So, those are traditional CPG companies. But, they plug into these ad networks, these retail media networks. It creates a stickier relationship when we’re touching both the retail media network and the CPG company as well. And so, I think our ability to grow here, continues to be strong. But, it has a residual impact of really creating a stronger, more sticky offering for our overall business, particularly CPG companies.

Eric Sheridan, Goldman Sachs:
Maybe if I could just ask one follow-up there because this was kind of where I was going as well, is the extent to which this acquisition you’re doing today talks about pooling your own data with third-party data. And you think about elements of data that come in from the CPG world potentially into retail media. Is this another AI optimization theme that we could see brought back to some of these retail media networks? Thanks.

Mark Zagorski, CEO:

I mean, the way that Scibids works is it’s multi-variant decisioning on a single ad impression. And the ability to pull in some of this retail media data, for example transaction data or shopping cart data, is a real advantage for a model like that. It definitely adds another play. And we continue to look at potential partnerships and customers that Scibids and AI bidding will work for. And retail media is a nice one because retail media is driven by selling, right? It is a pure response and performance-driven area. I think this fits quite nicely into that story.

Vasily Karasyov, Cannonball Research:

Thank you. Good afternoon. Wanted to follow up on what you said in your prepared remarks. So, one is I think you said that the results of the second quarter were broadly in line, so it sounded like it was not quite as good as you had expected. I wonder if you could go into a little more detail where the unexpected softness I assume occurred.

And then, the second comment I wanted to follow up on is you said that there is some—if I understood correctly, there is a disruption while some advertisers are switching to DSPs. So, two questions there. I understood that you distribute by all major DSPs, so there shouldn’t be much friction there. Is that correct? And also, when that process is completed, should we see a benefit or some incremental lift to revenue growth rate in the second half of the year, maybe Q4? Thank you.

Nicola Allais, CFO:

Yeah. So, let me take them in order. In Q2, when we say we were broadly in line, we slightly beat the midpoint of our guidance. And let me talk about the drivers of Q2 revenue, which is we saw the same drivers as we did in Q1. We had over 50 percent growth in ABS, 41 percent in social volume, 39 percent growth in international. We saw a very strong rate of wins, client wins, over 80 percent.

What we did see in Q2 is a bit of an elongated ramp cycle for some of the large clients wins that we had on the Measurement side. And so, some of that revenue just took a little bit longer to get into the quarter. That is essentially what we saw in Q2. And so, that put us right at the midpoint of our guidance. And as we continue to sign larger and larger clients, I think we will kind of see a little bit of that elongated cycle to just see all of their campaigns coming up to speed, especially if the win is a non-greenfield client.

In terms of what we see for the second half of the year, let me just talk about the friction point that we made. We did have some large clients that were using MediaMath as a DSP, and those naturally just need to transition to another DSP. They will. We’ve been working with them. But, there is a bit of a natural transition there, going from one trading platform to the next.
And so, our guidance for the second half sort of takes that into account. And we did have some large
clients that were using MediaMath. So, that’s a little bit of friction, as you pointed out. This is a point in
time. So, we don’t anticipate in the mid- to long-term any impact to the overall revenue trajectory. It’s
just for a point in time. It just might take a little bit of time to get to new DSP.

And then, in terms of what we saw as positive, Meta, Reels and YouTube Shorts are about to launch as
well. They are just one other vector of growth for the social platform. So, they were broadly taken into
account for what we were considering for social revenue growth. There is a large--and you know this
already--obviously, this is a large opportunity for us on social, brand safety on Meta, which is hopefully
for next year a revenue contribution.

Arjun Bhatia, William Blair and Company:

Perfect. Thanks for taking the question. I wanted to ask about new form factors, Mark. As you kind of
expand into new form factors on social with Reels, right, so whether it’s short-form video or eventually
to come with the news feed, what does the typical cadence of existing DV customers turning you on
look like? Is there a friction point where they’re deciding, do we turn on DV? Or are they doing a cost
benefit? What is that decision-making like, and what does that timeline look like?

Mark Zagorski, CEO:

Yeah, it’s interesting. What we’ve seen, for example, with the Reels rollout, the friction has been pretty
low and I think because there’s a significant amount of demand against that area. We saw a nice
cadence of folks turning on that additional coverage. Now, one thing that’s interesting to know is when
you look at our coverage of Facebook customers, I think it’s our top 100 that are actually measuring on
Facebook, it’s only slightly above 50 percent.

So, we’ve still got a good amount of growth to just get folks to turn on anything across social. And I think
that’s where, as Nicola noted, getting brand safety and suitability across more of our social networks is
going to be key. Right now, even with the—what we’re doing across Reels, and what we will be launching
across YouTube Shorts, we’re still talking viewability and invalid traffic.

I think the real value unlock on social is really around brand safety, which is what we saw on TikTok and
as we continue to grow across TikTok and short-form videos. So, I think the cadence of, let’s say, the
easy products, the IVT and the viewability products has been pretty good. But, I think we’ve still got
some growth to do when it comes to getting what folks really want, which is brand safety and suitability
across social. And I think we’ve got some nice opportunities there still to tap into.

Arjun Bhatia, William Blair and Company:

All right, perfect. That’s super helpful. And then, going to Scibids, it sounds like if you move more into
performance, especially with the Scibids acquisition, it seems like you might have a role to play in
directing ad dollars and ad spend to different DSPs. And correct me if that’s wrong, but how does that
impact DV’s role as an independent player in this ecosystem where you are not a part of any conflict if
advertisers decide to move ad dollars from one network to another?

Mark Zagorski, CEO:
Yeah it’s a great questions, Arjun. And I would be really clear that the acquisition of Scibids and Scibids’ role in the digital ecosystem creates no additional conflict and is actually as independent as we are in the media transaction. They work with Trade Desk and with DV360 and Xandr and Beeswax and probably more DSPs down the road. And the idea is that they are a tool. They are a tool that can be implemented by an advertiser. It’s technology that can be moved, similar to our Activation tools that currently can be moved.

Advertisers can move from platform to platform. So, for us and for Scibids, the key will be to be everywhere, right, to be agnostic to the platforms that we’re on and to make sure that wherever our advertisers want to spend, we have technology there, very similar to our current activation business. Whether it’s ABS or standard brand safety and suitability segments or our contextual targeting segments, we want those to be everywhere, and we want them to be fueled by DV data.

I think the independence of Scibids—or the acquisition of Scibids doesn’t change either our independence or theirs. And they’ve got great relationships with those platforms and have since the day that they launched across.

**Mark Kelley, Stifel:**

Hey, great. Thanks very much. A couple quick ones on Scibids. You talked about getting access to new customers. Can you give us a sense for the types of customers you’ll now have access to? Is it more small or medium business types of clients? Is it geographic-specific, given that they’re based in France? That’s my first one.

And then, as a follow-up to that, I guess your 30 to 40% growth rate assumption for next year for Scibids, does that bake in accelerating growth, given that you’ve got a large sales force? Or is that consistent with the current trends for the Scibids business? Thank you.

**Mark Zagorski, CEO:**

On the customer side, I think it’s less geography, even though it’s always nice to have some more resources across EMEA, considering that there’s a little bit of a bounce back as we have shown in our numbers earlier. It’s more—and it’s not really size either. So, what it is—is goals and KPIs, advertisers who were looking for specific drivers of results that may not be as concerned about viewability, for example, or be as concerned about brand suitability, whereas brand safety may just be fine as their impressions go.

It’s an advertiser who is looking for less of an on-off and more of a fluid, “Hey, I can take slightly less viewability or slightly less suitability for slightly higher performance.” The way that the Scibids algos work is it’s a dial as opposed to a directive, right? It’s not black and white, saying yes or no. It is a continuum. And what that does is it opens it up to lots of advertisers who, again, are very focused on performance as opposed to being 100 percent viewable or meeting specific viewability criteria. It’s just a different type of advertiser, which I think is kind of interesting for us.

The other aspect—I did mention geography. It is interesting that 60 percent of their business comes from the world, which is a very different ratio than our business currently. So, it is nice having some contacts outside the U.S. or some touch points outside the U.S., which helps us as well.
Nicola Allais, CFO:

And on the question for the growth, the 30 to 40% growth, it doesn’t assume an accelerated growth. We’re buying an early-stage technology. We’re going to spend a lot of time just making sure we understand the technology and how we integrate it into our own technology.

So, there will be growth above the standalone growth, but understand this is an early-stage technology, and their current revenue pattern is really dependent on a few clients. So, this is about new technology, understanding how we’re going to use it on our side. The revenue will grow in the future years, but this is really about technology first and foremost.

Andrew Boone, JMP Securities:

Good afternoon, and thanks for taking my question. I will keep it to one. I wanted to go back to Facebook. It sounds like social has real tailwinds. And as we think about brand safety coming on to the feed for next year, Mark, there’s the real potential that you guys could have a step function change in terms of revenue. And so, the question is really, you guys have held EBITDA margins at 30 percent. And that’s kind of how you guys have managed the business.

If there was a step function change as we think about the potential of Facebook, would you be willing to let margins expand, or would you maybe reinvest now back into performance? How are you thinking about controlling kind of the EBITDA profile with the potential of a significant supply source coming online? Thanks so much.

Mark Zagorski, CEO:

Yeah. Thanks, Andrew. It’s a great question. I think we’ve been pretty adamant around this idea that we’re going to continue to reinvest in the business. Now, it doesn’t mean that margins won’t expand a point here or there if we do open up a step function when it comes to an inventory source or a platform like Meta, but those platforms also come with some work and some scaling around it, too. I think we continue to focus on revenue and top line, keeping that EBITDA margin right in the sweet spot where we have it, so we can continue to invest.

We talk a lot about land and expand. And we’re still focused on landing lots of customers. And I think as we’ve noted several times so far today, some of those customers may be totally new opportunities for us through algorithmic, fee-based solutions. We want to continue to invest there, too. I think we’re going to keep that bank fairly tight, as we--like we said, we’ve done a pretty good job over the last three years keeping in that zone. And I think we’re going to stay in that zone.

Brian Fitzgerald, Wells Fargo:

Thanks, guys, maybe two really quick follow-ups on Scibids. Congratulations on the deal. Wanted to know maybe if you could explain a little bit how their customer algorithms work alongside the bid algos from the DSPs, how they deal with advertisers who do use Cookies and other identifiers. And then, a quick clarification. Did you take a bad debt charge regarding MediaMath in 2Q, or should we expect that in 3Q?

Nicola Allais, CFO:
Yes, I will answer the second question first. We did take a charge in the second quarter. Bad debt increased by $1.5 million in the quarter versus prior year, and that includes the impact of MediaMath.

Mark Zagorski, CEO:

Yeah and on the questions around Scibids and their interactions with the DSPs. The custom algo works in conjunction with any additional optimization that the platforms may have embedded in themselves. So, the leading platforms, so the Trade Desks and the Googles of the world have been really clear on it. They love this idea to bring your own algorithm and let it run against what you--what are important to you as an advertiser want to bring. And then, they can help kind of clean up and optimize on top of that at the end as well. So, there’s a really nice complementary existence between these platforms and between the tool sets that plays well.

With regard to the data points that the advertisers are using, for the most part, these--well, they are, not for the most part, they are not cookie-based data points and particularly around the data that we’re not plugging into these systems. So, things like Attention, data points, like viewability and others are identifier-free and cookie-free.

They have maintained the same level of privacy friendliness that we’ve had to date, yet they still drive real KPIs. And I think it’s a nice, again, complement to our business. We think this is a growing area that’s going to not only kind of enhance our Activation business, but, as we said, it has the ability to actually enhance our overall Measurement business as well.

Nick Zangler, Stephens:

Hey, guys. Thanks a lot for getting me on here. Just a little bit deeper on Scibids, if you don’t mind. I mean, so you mentioned Scibids. It automates, and it optimizes programmatic buying across DSPs. I am envisioning Scibids’ technology is designed to deploy and allocate ad spend on behalf of the brand, maybe following a rule set across KPIs as dictated by the brand or agency.

So effectively, I’m thinking AI trading here. But, I just want to understand if I’m correct on that--if I’m understanding that correctly or not, or perhaps this technology is more designed to act like an AI assistant for traders. Just any further deep dive here on how Scibids is deployed would be helpful.

Mark Zagorski, CEO:

Yeah, it’s the former versus the latter of what you mentioned. It’s really focused on optimizing the bid, right, and ensuring that the media spend is allocated to the impressions that drive the highest return. So, based on the KPIs that the advertiser is going after, how high can I drive those KPIs, right? So, how can I drive them based on the lowest potential price, right, that drives the highest ROI?

And that’s what it looks like. The neat part about it is it does it on every impression. Think of a decision engine that doesn’t look at the campaign or doesn’t look at the advertiser. It looks at every individual impression against that specific KPI and looks to maximize the bid, or in this case minimize the bid to deliver the maximum return. That’s what the logic does. That’s what the algorithm does. So, it’s actually plugged into the DSPs to make those decisions. It’s not an assistant at all to a trader. It actually does the trading on its own. It does the bid optimization on its own and runs and makes those decisions.
Like I said, the cool part for us is that we can start to load our data, our unique and proprietary data like Attention data, into these algos and have advertisers start to optimize against things like Attention at a very low--much lower rate than they would if they were just trying to target a static attention segment, for example.

**Nick Zangler, Stephens:**

Got it. That’s actually super helpful. And then, just one follow-up if I could. Just in regards to the allegations that Google has been facing for some video ads delivered on third-party websites into small windows and without audio, as I’m sure you know. I’m just curious if there are any implications here for DV. Like are you seeing advertisers potentially pull back on YouTube and redirect? Or perhaps it even--it triggers advertisers to actually utilize your viewability solutions more so, just given the concern. Just any thoughts on implications of the recent development here.

**Mark Zagorski, CEO:**

Yeah. Look, obviously, it’s definitely a challenging place for advertisers to be to try to figure out what exactly is the next step for them as they want to continue to spend across Google properties, but it really begs the idea and the question around transparency and the role of third parties in that. We’ve worked really well with Google to provide an independent take on the GDP YouTube issue that was surfaced.

I think we’ve got pretty extensive blog posts in which we outline what we’re able to deliver and what we see out there in the marketplace. And I think it always begs the question as to making sure that the companies that are measuring and that are doing the analysis of the transaction are truly independent, are outside of the media transaction. I think we’ve always taken that position, which is, we work with everybody. We do in a way that it’s accredited, and we do so in a way that is independent.

And I think our relationship with the advertiser is tantamount. That’s who pays our bills, and that’s who we have to worry about every day. So, we focus on trust, we focus on making sure that we’re independent, and we focus on providing as much transparency as we can. So, we haven’t seen any significant pullback on--across Google properties. Obviously, they had a great quarter as well. So, our relationship with them remains strong and both focused on the same thing, which is delivering great results to advertisers and doing so in a way that’s transparent and leverages the technology that we have built.

**Arti Vula, JPMorgan:**

Hi. This is Arti on for Mark Murphy. Thanks for taking the question, and congrats on the quarter. First question is I know you talked about the macro a little bit earlier. Anything worth calling out in terms of divergences among customers in terms of the sector?

**Nicola Allais, CFO:**

No. I mean, as you know, we are fairly diversified across most sectors. So, we didn’t see anything that was significantly outweighing other sectors. We still remain very strong in CPG. We still saw some good uptick on auto, which is one of our smaller segments. But, in general, for us, we’re so diversified that
whether one segment goes up or down, it doesn’t really impact our financials. We didn’t really see anything that was materially different than the prior quarter.

Arti Vula, JPMorgan:

Great. Thank you. And then, one more, and I’ll step back into the queue. In terms of the ABS price bifurcation, I know last time you guys said that was kind of frictionless and rolling out nicely. Does that continue to be the case, or is there anything worth calling out, given we have a couple more months behind us? Thank you.

Nicola Allais, CFO:

No. It’s as we had planned. It was frictionless. It was a small amount, based on the price of the product, so nothing new to report on that.

Mark Zagorski, CEO:

Thank you all for joining us this evening. We’ve delivered solid business momentum and couldn’t be more excited about the opportunities that lie ahead. We look forward to seeing many of you at DV’s Innovation Day in New York on September 14th, where we plan to share our long-term vision and strategy for AI powered innovation. Have a great evening.