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Kabbage Secures \$17 Million from Mohr Davidow Ventures, BlueRun Ventures, David Bonderman, Warren Stephens and UPS Strategic Enterprise Fund

Series B Funding Fuels Growth of Platform that serves eBay, Amazon, Yahoo and other Online Merchants

Atlanta, GA – Aug. 17, 2011 – [Kabbage, Inc.](#), a provider of working capital for online merchants, today announced it has secured \$17 million in Series B funding, led by [Mohr Davidow Ventures](#). Existing investors participating in the round include [BlueRun Ventures](#), [David Bonderman](#), founder of TPG Capital, Warren Stephens, CEO of Stephens Inc., and the [UPS Strategic Enterprise Fund](#). Several individuals also participated in the round including Jim McKelvey, co-founder of [Square](#). Kabbage will use this funding to pursue additional marketplaces, distribution relationships, new financial products and international expansion.

“Thousands of online merchants have obtained working capital and grown their businesses since our push into the market in April 2011,” said Rob Frohwein, Kabbage Founder and CEO. “Although small business fuels the majority of growth in the U.S., it is extremely difficult and time consuming for these businesses to apply for and actually receive financing from a traditional bank. Kabbage fills this need by providing money to these businesses in a quick, easy and painless way, helping them to further grow their businesses and boost the economy.”

Kabbage currently supports merchants operating on eBay®, Amazon® and Yahoo!® platforms and over the next six months will add support for merchants operating on or through a variety of other channels including Facebook®, Etsy®, Shopify® and Marketplace at Sears.com™. Kabbage uses automated data sources to analyze the health of an online merchant’s business including transaction history, customer traffic and reviews, and products to deliver working capital within seconds of the merchant’s completed application. With Kabbage’s release of profile building in May, merchants can now proactively add information to their Kabbage account to immediately increase their access to capital.

“Small and medium businesses are the growth engine of the economy and more and more of these businesses are operating online,” said Bryan Stolle, General Partner, Mohr Davidow Ventures. “By using rich, multi-source data and advanced analytics to more fairly and accurately assess business performance, we believe Kabbage’s financial products will enable more businesses to expand inventory, hire new employees, and grow, thereby helping the economy get back on track.”

“There is a rapidly growing delta between small-to-medium businesses' need for working capital and its availability from traditional sources. The knowledge gained from working with companies like Kabbage helps UPS refine its strategy of enabling global commerce,” said Joe Guerrisi, VP of Corporate Marketing at UPS.

In addition to the funding news, the United States Patent & Trademark Office recently granted U.S. Patent No. 7,983,951 to Kabbage, entitled “Apparatus to provide liquid funds in the online auction and marketplace environment.” *[Please see today's announcement “[Kabbage Issued U.S. Patent](#)”.]*

About Kabbage, Inc.

Kabbage, Inc., headquartered in Atlanta, Georgia, is pioneering the first financial services data, technology and marketing platform just for online merchants, supporting millions of small and medium businesses that make a living selling online. Kabbage leverages data generated through merchant activity across various marketplaces and channels to understand business performance and craft financing options that meet their needs. Kabbage is venture funded and backed by Mohr Davidow Ventures and BlueRun Ventures, with additional investors including: David Bonderman, founder of TPG Capital, Warren Stephens, CEO of Stephens Inc., and the UPS Strategic Enterprise Fund. For more information, please visit www.kabbage.com.

About Mohr Davidow Ventures

Mohr Davidow is a leading early stage venture capital firm investing in people and technologies that redefine or create large markets. For more than 25 years, the Mohr Davidow team has worked closely with exceptional entrepreneurs to move innovation forward, and to develop and deliver new, technology-based ideas, products and services that will transform industries whether through better infrastructure for our rapidly evolving digital world, more efficient power for our planet, or better and more personalized medicine. The firm has \$2 billion under management. For more information, please visit www.mdv.com.

About BlueRun Ventures

BlueRun Ventures is a leading early stage venture capital firm focused on Internet, Mobile and Media opportunities. BlueRun works closely with entrepreneurs to build market-changing companies such as PayPal (EBAY), WiderThan (REAL), Slide (GOOG) and Enpocket (NOK). With offices in Menlo Park, Beijing, Shanghai, Seoul, Helsinki and Mumbai, BlueRun brings distributed insight to each market and opportunity to help young companies navigate dynamic markets. For more information, please visit www.brvc.com.

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