



*SOULMATES. The Internet dating site, Firstdate, with founder Chris Engleus, pictured here with his dog Hilda, is growing like mad. He plans to spend this summer looking over offers for his dating site.*

# Many suitors flocking around a hot dating site

Attractive Firstdate is growing by 55 percent annually

The fast-growing Swedish dating site, Firstdate, is a hot prospect for a takeover. The offers are being analysed to see which one is best.

“We are currently growing by 55 percent annually and during the summer we will think about the future and consider offers.

By the middle of next year, we will be the largest dating site in the Nordic region,” says Firstdate’s chairman of the board and founder, Chris Engleus.

Firstdate was founded in 2006 by friends Chris Engleus and Martin Trollborg, and in December 2008 the dating site was launched seriously. Prior to that we had made a test start and things went so well that the system collapsed.”

## Newspapers in the north helped

During the work with the site, the partners quickly used up their own start-up capital of SEK 10 million. When the money ran out there were two companies who surprised the company by pumping in additional funds; the newspapers Västernorrlands-Kuriren in Umeå and Norran in Skellefteå.

Today, the founders own 60 percent and the newspaper publishing houses in the north own 30 percent. Four private individuals, including Eva Lindqvist, who is also on the board, own the remaining 10 percent. Eva Lindqvist, with a background at Telia Sonera and Ericsson, is also a board member of Assa Abloy, Niscayah Group, Tieto and several other companies. Firstdate did not enter a new industry. International dating sites such as the American company, Match, and the French company, Meetic, dominated in the Nordic region and became even stronger when they merged in 2009.

“We came in very late and had to have a different concept. The existing sites focused on an older and financially stronger target group. We concentrated on the ‘kids’, 18 – 35-year olds. In addition, all the sites were country-oriented, which meant that the whole thing was relatively Stockholm-centred. We became pan-Nordic. We reasoned that it was easier for someone living in Malmö to find someone in the Copenhagen region than in northern Sweden,” says Chris Engleus.

## Facebook gave a boost

The major boost, for the industry and for Firstdate, came with Facebook.

“Facebook totally changed everyone’s behaviour on the Internet. Before Facebook, we had been unwilling to pay over the Internet, we had strange email addresses and everything was secret in some way. But suddenly, people were putting their whole lives on Facebook; children, partners, dogs, cats, or that they were going to the laundry room. And that’s when the dating site really took off,” explains Chris Engleus.

2009 was Firstdate’s first year, and by November the company’s figures were in the black.

Then things really exploded. In 2009, Firstdate had sales of SEK 10 M and showed a loss of SEK 11 M. Last year, the second year of operation, the company had sales of more than SEK 20 M and showed a profit of SEK 7 M.

“This year we are expecting sales of SEK 30-40 M and a profit of SEK 10-15 M. We think in terms of volume. Currently, we have approximately 100,000 visitors every day. We already have 500,000 free members and approximately 12,500 subscribers. After the summer we will have at least 15,000 paying members,” says Chris Engleus.

## Subscription fees

“Subscription fees” from paying members are what have constituted Firstdate’s sales so far. Now, the company is looking at the possibility to bring in advertisers. It was around this point in the growth phase that investors began to notice the industry. This past winter, Firstdate received its first proposals from companies that were interested in acquiring the company.

“Selling right now just doesn’t seem to be in the plans. But we contacted the accounting and consulting firm KPMG to get an evaluation of the offers. During the summer we will evaluate the offers in peace and quiet,” says Chris Engleus.

## Counting on being the largest

He does not want to disclose anything about the offers, but says that they come from industry companies and investors outside the industry.

“But I think that within the immediate future we will be in good company. And regardless of how things go with a possible sale, I am counting on being the largest dating site in the Nordic region, in all aspects, as early as the first half of 2012,” says Chris Engleus.