



Deal Announcement



Spark Capital advises Kaleidoscope Innovation Inc. on its sale to Infosys Technologies

Spark Capital (“Spark”) acted as the exclusive financial advisors to Kaleidoscope Innovation Inc. and its Selling Shareholders on the acquisition by Infosys Technologies.

We are pleased to announce the signing of definitive agreements for the sale of 100% equity stake in Kaleidoscope Innovation Inc. (“Kaleidoscope Innovation”) to Infosys Technologies, (“Infosys”) for an all cash consideration up to USD 42 Mn. The acquisition is expected to close during the second quarter of fiscal 2021, subject to customary closing conditions

Infosys (NYSE: INFY), a global leader in next-generation digital services and consulting, today announced a definitive agreement to acquire Kaleidoscope Innovation, a full-spectrum Product Design & Development (PDD) and insights firm innovating across medical, consumer and industrial markets, bolstering its capabilities in the design of smart products.

Kaleidoscope Innovation, a Cincinnati, US-based company, brings to Infosys a diverse talent pool with extensive knowledge of product design and engineering. The company leverages a deep understanding of clinical environments, strong product development capabilities across domains, and a consultancy-style approach addressing human factors, product design, UI/UX design, research & insights, and development & visualization. It serves a marquee and diversified clientele with state-of-the-art, in-house labs, 3D design environments and customer experience centres. Kaleidoscope Innovation designs microsurgical instruments, devices used in minimally invasive surgery drug delivery devices for ophthalmic therapies and user-centric wearables. It also offers, usability testing in support of regulatory submissions, including the delivery mechanism for aortic stents.

Ravi Kumar, President, Infosys, said, *“This acquisition further strengthens our digital offerings at the intersection of new software technologies and medical devices - a sector that is expected to witness significant investments and consumerization in the post-COVID era. Our clients will benefit from the combination of Kaleidoscope Innovation’s strong upstream offerings of product innovation and design, and Infosys’ stack of product engineering, validation and commercialisation services at a global scale. We are excited to welcome Kaleidoscope Innovation and its leadership team into the Infosys family, as part of Infosys Engineering Services portfolio.”*

Matt Kornau, CEO & Co-Founder, Kaleidoscope Innovation said, *“We are enthusiastic about our exciting new partnership with Infosys. It allows us to scale quickly and bring expanded offerings in AI, Analytics, and Digital Infrastructures to our clients. Kaleidoscope Innovation has always valued the ability to enhance people’s lives and their outcomes through innovation. We feel Infosys shares the same values and this relationship will open new avenues for our client partners and our staff to pursue larger opportunities together. We will remain dedicated to serving our client partners, large and small, as we continue to march towards our mission. In addition, **we would want to take a moment to acknowledge Spark Capital.** Spark Capital took the time to understand our culture, business, and growth initiatives and found a partner in Infosys that will create the synergies for accelerated growth. **Spark Capital made the investment in understanding our values and aligning us with someone who shared the same thinking from a cultural, business, and growth perspective. We appreciate the team’s attentiveness, work ethic, and desire to create an outcome that would allow Kaleidoscope Innovation and its team to enhance people’s outcomes through innovative solutions.”***

Bill Taylor, Co-Founder, Kaleidoscope Innovation added “Infosys provides an exciting platform for us to extend our relationship with our Business Partners to address the productization of solutions they have been asking us to deliver. Having the technical prowess and bandwidth to offer solutions that address manufacturability and lifecycle management will benefit all parties. We can now offer them the scale needed for both front end-innovation and back-end implementation and sustainability”

Vijay Radhakrishnan, Director & Practice Head – Technology & Business Services, Spark Capital said “We are delighted to have identified a worthy partner in Infosys for our client and delivering this transaction for Kaleidoscope Innovation. This brings together two players with complementary expertise across the PDD spectrum in the Healthcare, Medical & Consumer technology domains. The combination offers a strong cultural fitment, significant synergies and symbiotic benefits that broaden the offerings stack for the customer and results in a global, market-leading technology solutions franchise across the value-chain of PDD.”

This transaction is the first instance of a cross-border deal that was executed remotely & digitally from end-to-end, in the backdrop of a difficult post-COVID environment. It demonstrates Spark Capital’s ability to architect, execute and consummate transformative and complex, cross-border M&A transactions that results in value addition for our clients. This also marks Spark Capital’s 41st transaction in the Technology services space and further adds to its rich heritage of deal-making - aggregating to USD 1.9 Bn in value across various sub-segments of the Technology & Business Services space till date. Spark Capital is proud to be a part of this landmark transaction and wishes both Kaleidoscope Innovation and Infosys the best in the years to come.

About Kaleidoscope Innovation:

Kaleidoscope Innovation is a full-service product development firm innovating across medical, consumer and industrial markets. For over 30 years, clients have partnered with Kaleidoscope Innovation to improve the human experience. Kaleidoscope Innovation offers both consultancy-style and onsite services, across a full breadth of disciplines to meet their client’s needs where needed, including insights & human factors, medical affairs, industrial design & user experience, engineering, visualization and software development. For more information about Kaleidoscope Innovation, please visit www.kascope.com

About Spark Capital:

Spark Capital is among India’s leading investment banks, providing a full suite of services encompassing Investment Banking, Institutional Equities, Wealth Management and Structured Finance & Debt Syndication. Spark Capital’s Investment Banking business has successfully consummated deals with a total transaction value of close to USD 6.9 Bn since inception. Spark Capital is headquartered in Chennai and has offices in Bengaluru and Mumbai. Further information is available at www.sparkcapital.in

Best Regards,
Team Spark

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