

Gazelle Raises \$22 Million Led by Craton Equity Partners

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SOURCE Gazelle

Series D Round Primes Gazelle for Continued Industry Leadership and Significant Growth

BOSTON, July 21, 2011 /PRNewswire/ -- Gazelle (www.gazelle.com), the nation's largest consumer *reCommerce*[™] service, announced today that Craton Equity Partners (www.cratonep.com) has led its \$22 million series D round of financing. Gazelle's current investors, Physic Ventures (www.physicventures.com), Venrock Associates (www.venrock.com) and RockPort Capital (www.rockportcap.com) also participated in this financing.

In 2010, Gazelle's business continued to soar, achieving a 155% year-over-year growth in revenues as the company has attracted more than 175,000 Customers to trade in or recycle used electronics. Fueled by its largest financing to date, Gazelle is focused on rapidly accelerating its plans to market its service to mass media. The new funding also enables Gazelle to make additional investments in key areas of the business, including operational capital, marketing, inventory acquisition and additional processes that will continue to enhance the company's industry-leading customer experience.

"We are impressed by Gazelle's innovative business model which serves a vast consumer market while having a positive environmental impact," said David Asarnow, Principal at Craton Equity Partners, who joins the Gazelle board of directors. "Gazelle has a world class team and unlimited opportunity for growth, and fits our model for investing in forward thinking companies with progressive models and technology to address climate change. We look forward to supporting their continued success."

According to Gazelle co-founder and CEO, Israel Ganot, Craton Equity Partners' expertise in the field of clean technology and environmentally responsible consumption will help further Gazelle's vision of *reCommerce*. "Our goal is to completely transform the way consumers think about the consumer electronics they buy, sell and own. This financing will be critical in helping us market our vision of consumption and *reCommerce* to more people, grow and build our catalog and continue to provide one of the most satisfying consumer experiences anywhere on the web."

This round of funding is the fourth in Gazelle's four-year history, with its last round in 2010, led by Physic Ventures. Since 2008, Gazelle has realized aggressive growth, adding over 20 product categories and 300,000 products to build upon its award-winning customer experience. Gazelle was named #24 on the 2010 Inc. 500 and #2 in the highly competitive Consumer Products & Services category.

ABOUT GAZELLE

Gazelle (www.gazelle.com), a service of Second Rotation, Inc., is committed to providing an easy, fast, and safe way for consumers to get cash for selling unwanted electronics or to recycle them responsibly. To date, more than 175,000 consumers have used the service as a way to clean out closets, get cash and help out a good cause. In addition, Gazelle empowers consumers to avoid time consuming and risky online experiences associated with peer-to-peer selling. Consumers can rest assured that all personal information is thoroughly removed from their item while benefiting from conveniences like free shipping and packaging. Based in Boston, Gazelle is backed by premier venture capital firms Craton Equity Partners, Physic Ventures, Venrock Associates and RockPort Capital Partners.

ABOUT CRATON EQUITY PARTNERS

Craton is Southern California's largest exclusive clean tech private equity fund. Craton was recently announced as one of the top ten California clean technology funds by PE Hub. Craton focuses its investment strategies on a diverse set of subsectors from retail alternative fuels, to wastewater treatment technology, recycling and solid state lighting to a series of smart grid and energy efficiency technologies. Craton is located in Los Angeles, California. For more information visit www.cratonep.com.

ABOUT PHYSIC VENTURES

Physic Ventures is the first venture capital firm dedicated to investing in keeping people healthy by providing capital and expertise to science-based, consumer-driven health and sustainable living companies. The firm's strategy is to capitalize on major economic, social and political trends shaping the landscape of personal and planetary health, including the rapid migration toward a consumer-driven, prevention-oriented "self-care" paradigm. Physic Ventures is based in San Francisco, CA.

ABOUT VENROCK

Venrock is a premier venture capital firm with offices in Palo Alto, CA; New York, NY; and Cambridge, MA. Originally established as the venture capital arm of the Rockefeller family, Venrock continues an eight-decade tradition of partnering with entrepreneurs to establish successful, enduring companies. Having invested \$2.5 billion in 442 companies resulting in 124 IPOs and 128 M&As over the past 40 years, Venrock's investment returns place it among the top tier venture capital firms that have achieved consistently superior performance. With a primary focus on technology, healthcare, and energy, portfolio companies have included Adify, Adnexus Therapeutics, Apple Computer, Athenahealth, Centocor, Check Point Software, DoubleClick, Gilead Sciences, Idec Pharmaceuticals, Illumina, Intel, Millennium Pharmaceuticals, Sirna Therapeutics, StrataCom, and Vontu. For more information, please visit Venrock's website at www.venrock.com.

ABOUT ROCKPORT CAPITAL PARTNERS

RockPort Capital Partners, www.rockportcap.com, is a leading venture capital firm partnering with clean tech entrepreneurs around the world to build innovative companies and bring

disruptive technologies and products to the 21st century. RockPort's investment approach is distinguished by collaboration with management teams to foster growth and create value. Combining domain expertise with policy and international experience, RockPort has a proven track record of leveraging its insights and networks to foster growth and create value.

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