



Atlanta-based Cardlytics made its public debut on Friday, closing the day at \$13.37, just a little above the IPO price of \$13. The company sold 5.4 million shares, raising \$70 million.

Cardlytics works with financial institutions like Bank of America and 2,000 others to run cash back programs. It partners with brands across restaurant, retail, travel, grocery and home subscription categories to offer discounts. Starbucks, Spotify, Airbnb, Hilton and Whole Foods are amongst the places where banking customers will find deals.

The business “presents consumers with targeted offers based on their purchase behavior,” co-founder and CEO Scott Grimes told TechCrunch. And “we can drive people into stores, not just online.”

Bank customers select which deals they want and the discounts are automatically applied when they shop at choice locations. The company says it has saved customers \$230 million

to date.

But Cardlytics is not yet making money, however. It brought \$112.8 million in revenue for 2016, but had losses of \$75.7 million. Revenue for 2015 was \$77.6 million, with losses of \$40.6 million.

“We may not be able to sustain our revenue growth rate in the future,” warned the requisite “risk factors” [section of the IPO filing](#).

In 2016, [Cardlytics shed almost 15% of its workforce](#) as part of an effort to improve its financials ahead of a potential IPO.

Co-founder and COO Lynne Laube maintains that they will continue to generate more advertising partnerships because “for every \$1 we bring them \$30 of influenced sales.” She also was quick to claim that Cardlytics isn’t invading customer privacy because the data they see is anonymized. “Only the banks know,” she said.

Cardlytics has raised almost \$200 million in equity financing from Discovery Capital, Canaan Partners, Polaris Venture Capital and others, dating back to 2009. CEO Scott Grimes used to work at Canaan as a principal.

Bank of America and J.P. Morgan were the underwriting banks managing the offering. Cooley and Gunderson Dettmer served as counsel.

TechCrunch [broke the news of Cardlytics’ IPO last year](#). Cardlytics marks the first venture-backed tech IPO of the year.