



The Brandtech Group acquires Pencil, the world's largest generative AI SaaS platform for brands

As part of this announcement, the Group launches Pencil Pro, a generative AI product tailored specifically for the needs of global brands, which revolutionizes the production of creative work

New York, New York, 08:00 EST, 15 June 2023: The Brandtech Group, has acquired 100% of Pencil, the No.1 generative AI creative and distribution SaaS platform. In addition, the Group is launching Pencil Pro, an enterprise-level generative AI product, specifically created to meet the needs of global brands. Unilever and Bayer are Pencil Pro launch partners.

"Generative AI is going to change the world and the world of marketing beyond recognition. When we created the company, machine-generated content was a core foundation of the group and most people laughed and said it would never be a thing. Since then we have made several investments in different AI companies, from chatbots to AI twins, to media planning, but this is our first acquisition.

"Pencil is easily the most significant company in the generative AI marketing space. While lots of people are talking in the future tense about what they will build or might do, or announcing made-for-PR partnerships, Pencil is the only company in the world to have already used more than \$1BN of actual media dollars across 4,000 brands since 2018, building unparalleled data, insight and learnings around Gen AI for marketing at global scale. Like generative AI itself, what Will and Sumukh have built is truly remarkable and we're thrilled that they are joining the group," says The Brandtech Group founder and CEO, David Jones.

Pencil was founded in 2018 by Will Hanschell and Sumukh Avadhani. It is built on Open AI's GPT family of large language models (LLM) and generates multiple channel-ready ads and copy by looking at a brand's objectives, assets and preferences. It also provides a predicted success rate for each iteration. The process takes minutes and the resulting content is up to 10 x lower in cost to produce, but achieve 2 x better performance results. It was one of the very first GenAI companies in the world to enable brands to generate finished, ready-to-run ads, launch them and measure real uplift in performance.

Pencil has generated more than one million creative executions for brands in the last 12 months, and the dataset that powers its predictions is built from real media spend of more than \$1BN. The company has previously announced partnerships with Adobe, Shopify, Meta and OpenAI. Its new enterprise product Pencil Pro launches with AI integrations including OpenAI GPT-4 and ChatGPT, Stable Diffusion and Runway - as well as media integrations including Facebook, Instagram, Tiktok, YouTube, Google Display and Amazon Ads.

Pencil Pro, built in collaboration with The Brandtech Group over the last six months, is enterprise-ready and builds in several factors of vital importance for global brands, which routinely need to generate thousands of creative iterations across multiple channels. It provides solutions for the key questions and concerns global marketers have about implementing GenAI. Which include:

“How can I be sure that the AI doesn’t generate something inappropriate or offensive?”

“How do I mitigate potential issues with owners of AI model training data?”

“How do I own copyright or trademark the content that gets generated?”

“How do I make sure the AI does not use my brand’s data to help my competitors?”

Pencil Pro provides robust solutions for all these concerns, giving global marketers confidence they can generate all the content they need better, faster and cheaper, and also free of any legal headaches.

As part of the launch, over 1,000 Brandtech Group employees are being trained in generative AI and Pencil. The training is led by a team from recently acquired Brandtech Group company, Jellyfish.

Unilever Global VP, Brand Communications, Giles Morrison, says: “Everyone is talking about GenAI and Unilever is excited to be running multiple pilots across the space. Pencil Pro is a true enterprise proposition that could really impact our business at scale.”

Bayer Chief Marketing and Information Officer - Consumer Health, Patricia Corsi, says: "We've built a successful partnership with Oliver and The Brandtech Group, and are now delighted to extend this as we become one of the world's first healthcare/science companies to pilot generative AI, and the first to use Pencil Pro. We see unprecedented potential for Bayer brands and how we serve our consumer."

Pencil co-founder and CEO, Will Hanschell says: “David and I first met several years ago and we connected around a belief - which few held at the time - that AI and machine learning would totally disrupt marketing. Not many people thought that when we launched back in 2018, so we’ve been able to get a big head-start in the space and have invaluable learnings from the \$1BN of brand spend. It’s great to be joining a group that is equally obsessed with technology and how it can disrupt marketing.”

Pencil co-founder and CTO, Sumukh Avadhani, says: "A core part of Pencil is its predictive ability - it doesn't just create the content much faster but predicts what will actually work best. It also sits above and allows brands to use all of the incredible tools that are coming out almost on a daily basis, so each new tool that is launched makes Pencil better. We couldn't be more excited to be joining the world's No1 digital marketing group. They are unique in their ability to deploy technology to help major brands do their marketing and Pencil Pro is a gamechanger for that."

Brandtech Group emerging tech lead, Rebecca Sykes, says: "Gartner said the biggest bottleneck in marketing this decade was content. Not any more! Generative AI changes all of that, and Pencil Pro is an enterprise ready, scalable, end-to-end single platform tool that brings the best of the best Gen AI functionality together - from Runway to GPT-4 and directly integrates with everyone from Amazon to TikTok. The Brandtech Group's founding belief in 2015 was that all marketing could be done better, faster and cheaper using technology - generative AI puts that on steroids."

This is the Group's tenth acquisition and comes after its recent deal to acquire Jellyfish, which established it as the No1 digital-only marketing group in the world, with more than \$1BN in revenue, over 7,000 employees, working for eight out of ten of the world's largest advertisers, and 49 of the top 100¹.

The Group has significantly outperformed not only the legacy ad holding companies but also the technology platforms with annual organic revenue growth at an average of more than 30 percent over the last four years. The Group is also one of CB Insights' Most Valuable Private Unicorns², and was named one of Fast Company's World's Most Innovative Companies³.

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References:

1. [AdAge Data Center](#)
2. [CB Insights](#)
3. [Fast Company, The World's Most Innovative Companies](#)

About The Brandtech Group

The Brandtech Group's mission is to be the best company in the world at helping leading global brands drive growth by connecting content, data and media using technology.

It was founded in June 2015 (as You & Mr Jones) by former Havas Global CEO David Jones, with a simple mission to help brands do their marketing better, faster and cheaper using technology. It was renamed The Brandtech Group in January 2022.

Today it generates more than \$1BN in revenue and is the largest global digital content partner for many of the world's biggest brands and companies, often using its unique in-housing model. It works with eight of the world's top 10 global advertisers and 49 of the world's top 100. Clients include Banco Itaú, Danone, Google, Intuit, LVMH, Microsoft, Morgan-Stanley, Netflix, Reckitt, Renault-Nissan, PayPal, TikTok, Uber and Unilever.

In addition, the Group invests in cutting-edge technology companies relevant to and with potential in marketing and has been investing in the AI, AR and the metaverse space since 2015. The Group was the first external investor in Niantic (creators of Pokémon Go), alongside investments in AI Foundation (AI digital twins, personalized AI, and deep-fake detection 2018), Automat (AI chatbots, 2016), Elsy (AI media planning, 2016), Jivox (dynamic automated content,, 2016), Crossing Minds (deep learning AI recommendation system, 2017), CreativeX (AI-driven content optimization, 2022), Zappar (AR, 2017), Provenance (blockchain, 2022) and GGP (the world's largest gaming fund).

The Group is one of the most prominent marketing industry voices on the prediction and movement to AI-driven marketing, including Generative AI. It was named one of the World's Most Innovative Companies 2021 by Fast Company, and by CB Insights as one of the World's Most Valuable Private Unicorns.

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