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**BUYWITHME.COM CLOSES SERIES A FUNDING WITH \$5.5 MILLION
FROM MATRIX PARTNERS**

**Company Poised for Expansion & Product Development for Crowd-Sourced
Premium Deal Platform**

BOSTON, January 20, 2010 – Today, BuyWithMe.com announced that it has secured \$5.5 million in growth capital from Matrix Partners. The company intends to scale rapidly, benefiting from its loyal vendor relationships and tens of thousands of dedicated buyers from three initial markets of Boston, Washington DC and San Diego. Under the terms of the agreement, Nicholas Beim, General Partner at Matrix Partners, will join BuyWithMe’s board of directors.

BuyWithMe plans to introduce additional enhancements and add new media partners in local markets while further building out its community across the country. This community has largely grown through word of mouth, viral marketing, and social media engagement and in partnership with established local media such as Boston.com. Matrix’s investment recognizes the social shopping site’s success in identifying an innovative product marketing solution and developing a dedicated membership base, as well as its potential for growth across major U.S. cities.

CEO and founder Andrew Moss notes that “BuyWithMe’s popularity with users is primarily a result of the uniquely high deal quality our team has worked to curate on a daily basis which has already saved customers over \$2 million since May 2009. In addition, the business has focused on superior customer service, a partner mentality with our merchant clients and engagement with each local community.”

Each deal is only activated if there is sufficient interest from a minimum number of buyers within a limited window of time, and BuyWithMe’s compensation derives from successful deals, thus creating offers that are uniquely “win-win-win” in structure. For businesses, BuyWithMe.com provides a fresh, no-risk approach that attracts new and returning loyal customers and enables the showcasing of new products and services to large groups of buyers. The company offers an extremely cost-effective and turnkey marketing solution that is a compelling alternative to traditional media marketing. Partners praise the company's professionalism, thoughtful deal promotions and careful handling of their brands.

"BuyWithMe is off to a very rapid start," said Nicholas Beim, General Partner at Matrix Partners. "The company has developed a strong following among consumers and merchants in multiple cities and has an impressive vision for future growth."

About BuyWithMe, Inc.

BuyWithMe, Inc. is a privately held company focused on providing unique marketing solutions using group buying mechanisms and leveraging social media. By aggregating the purchasing power of its buyer network, the company enables special pricing to be made available only to the groups of users that band together on its site. These deals deliver immediate customer interest and merchants get a very effective “pay-per-customer” marketing medium with great recognition and no risk. For more information about working with BuyWithMe and to receive free emails for the best offers in your city, sign up at: <http://www.buywithme.com>.

About Matrix Partners

Matrix Partners is a venture capital firm focused on early stage investments in the communications, Internet, mobile, semiconductor, and software sectors. The firm emphasizes long-term relationships with world-class entrepreneurs. Founded in 1977, Matrix Partners ranks among the industry’s top-performing venture capital firms. Past and present portfolio companies include Apple, JBoss, OpenWave, SanDisk, Sycamore Networks, Veritas, TheLadders.com and the Gilt Groupe. The firm manages over \$2.5 billion in assets from its offices in Boston, New York, Silicon Valley, Beijing, and India. For more information see <http://www.matrixpartners.com>.

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