

Blackstone acquires pet care app Rover in \$2.3 billion all-cash deal

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A sign for The Blackstone Group L.P. investment firm stands in front of their offices, Monday, Oct. 15, 2018, in New York. Private equity giant Blackstone will acquire the pet care app Rover in an all-cash deal valued at \$2.3 billion, the companies announced Wednesday, Nov. 29, 2023. Credit: AP Photo/Mark Lennihan, File

Private equity giant Blackstone will acquire the pet care app Rover in an all-cash deal valued at \$2.3 billion, the companies announced Wednesday.

Shares of Rover climbed about 28% on news of the deal, which will pay Rover shareholders \$11 per [share](#). Blackstone said that amounts to a 61% premium over the Rover's average share price during the past 90 trading days.

The deal is expected to close in the [first quarter](#) of 2024, at which time Rover will no longer be a publicly-traded company. The agreement includes a 30-day period expiring on Dec. 29 in which Rover and its advisors can solicit and negotiate other acquisition offers.

Rover's board of directors have approved the acquisition and recommended that Rover shareholders do the same.

Rover shares mostly bounced around under \$7 each for most of the year before jumping earlier this month on a strong third-quarter earnings report. Rover earned 5 cents per share last quarter, better than the 3 cents per share analysts were expecting. Sales of \$66.2 million in the period also beat Wall Street projections and were up 30% from the same period a year ago.

"We believe Rover has a significant runway for growth as [pet owners](#) increasingly place a premium on high-quality care, flexibility and convenience," said Tushar Gupta, a principal at Blackstone.

Rover was founded in 2011, connecting pet owners with care providers who provide boarding, in-home pet sitting and dog walking, among other services.

The Seattle-based company says from its inception through Sept. 30,

more than 93 million services have been booked by more than 4 million pet owners with more than 1 million pet care providers paid across North America and Europe.

Rover shares jumped to \$10.90 per share in midday trading and have nearly tripled in price this year.

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