

MARIN SOFTWARE INC
Form 424B5
June 25, 2014
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**Filed Pursuant to Rule 424(b)(5)
Registration No. 333-196818**

PROSPECTUS

Marin Software Incorporated 1,717,794 Shares of Common Stock

This prospectus relates to an aggregate of up to 1,717,794 shares of common stock of Marin Software Incorporated that may be resold from time to time by the selling stockholders named on page 5 of this prospectus for their own account. We will not receive any proceeds from the sale of shares offered by the selling stockholders. See **Selling Stockholders** and **Plan of Distribution**.

The selling stockholders acquired the shares in connection with the consummation of our acquisition of NowSpots, Inc. The selling stockholders may sell the shares directly to purchasers or, through underwriters, broker-dealers or agents, who may receive compensation in the form of discounts, concessions or commissions. The selling stockholders may sell the shares at any time at market prices prevailing at the time of sale, at prices related to such market prices, at a fixed price or prices subject to change or at privately negotiated prices. This prospectus describes the general manner in which the shares may be offered and sold by the selling stockholders. If necessary, the specific manner in which the shares may be offered and sold will be described in a supplement to this prospectus.

Our common stock trades on the New York Stock Exchange under the symbol **MRIN**. On June 13, 2014, the closing sale price of our common stock, as reported on the New York Stock Exchange, was \$11.56 per share.

Investing in our securities involves risks. See the Risk Factors section of this prospectus on page 3 to read about where you can find the risk factor information that you should consider before buying shares of our common stock.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

The date of this prospectus is June 25, 2014.

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ABOUT THIS PROSPECTUS

This prospectus is part of a registration statement on Form S-3 under the Securities Act of 1933, as amended (Securities Act), using a shelf registration process. Under this shelf registration process, the selling stockholders may, from time to time, sell or otherwise dispose of up to 1,717,794 shares of our common stock.

You should rely only on the information we have provided or incorporated by reference in this prospectus. We have not authorized anyone to provide you with additional or different information. No dealer, salesperson or other person is authorized to give any information or to represent anything not contained in this prospectus. You must not rely on any unauthorized information or representation. You should not assume that the information contained in this prospectus or any prospectus supplement is accurate as of any date other than the date on the front cover of those documents. This prospectus does not constitute an offer to sell, or a solicitation of an offer to purchase, the securities offered by this prospectus in any jurisdiction where such offer or sale is not permitted.

This prospectus incorporates by reference important business and financial information about us that is not included in or delivered with this document. You should read the additional information described under the headings [Incorporation of Certain Information by Reference](#) on page 8 and [Where You Can Find More Information](#) on page 9.

This prospectus may be supplemented from time to time by one or more prospectus supplements. Any such prospectus supplements may include additional information, such as additional risk factors or other special considerations applicable to us, our business or results of operations or our common stock, and may also update or change the information in this prospectus. If there is any inconsistency between the information in this prospectus and any prospectus supplement, you should rely on the information in the prospectus supplement.

Unless the context otherwise requires, the terms [we](#), [our](#), [us](#), and [Marin Software](#) refer to [Marin Software Incorporated](#), a Delaware corporation.

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PROSPECTUS SUMMARY

This section contains a general summary of information contained elsewhere in this prospectus. It may not include all of the information that is important to you. Our business is subject to a number of risks, which we describe in the Risk Factors in our Annual Report on Form 10-K for the fiscal year ended December 31, 2013, filed with the Securities and Exchange Commission (SEC) on February 28, 2014 and Quarterly Report on Form 10-Q for the quarter ended March 31, 2014, filed with the SEC on May 8, 2014, which are incorporated by reference herein. See Incorporation of Certain Information by Reference on page 8. You should read the entire prospectus, and the documents incorporated by reference before making an investment decision.

Marin Software Incorporated

We provide a leading cloud-based digital advertising management platform that enables advertisers and agencies to improve the performance of their online advertising campaigns. Our software platform serves as a system-of-record for advertising performance, sales and revenue data, allowing advertisers to connect the dots between advertising spend and revenue outcomes. Through an intuitive interface, we enable our customers to simultaneously run large-scale digital advertising campaigns across multiple publishers and channels, making it easy for marketers to create, publish, modify and optimize campaigns in real time. Our predictive bid management and optimization technology also allows advertisers to forecast outcomes and optimize campaigns across multiple publishers and channels to achieve their business goals. Our optimization technology enables advertisers to easily and rapidly increase ad spend on those campaigns, publishers and channels that are performing well while reducing investment in those that are not. This category of solutions, which we refer to as Revenue Acquisition Management, enables businesses to intelligently and efficiently measure, manage, and optimize their digital advertising spend to achieve desired business results. Our headquarters are located in San Francisco, California. We conduct our business worldwide with additional offices in the United States, Asia, Australia and Europe.

Marin Software and the Marin Software logo are trademarks of Marin Software. Other service marks, trademarks and tradenames referred to in this prospectus are the property of their respective owners.

Address and Telephone Number

The mailing address of our principal executive offices is 123 Mission Street, 25th Floor, San Francisco, California 94105, and our telephone number at that location is (415) 399-2580.

Registration Rights

In connection with the acquisition of NowSpots, Inc. (NowSpots), we have agreed to file a registration statement, of which this prospectus forms a part, and to use our reasonable efforts to keep it effective until the earliest of:

the date when all of the shares of common stock eligible to be sold by the selling stockholders pursuant to the effective registration statement have been sold; or

December 2, 2016.

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RISK FACTORS

An investment in our common stock involves a high degree of risk. You should carefully consider the risks and uncertainties described in the Risk Factors sections of our Annual Report on Form 10-K for the fiscal year ended December 31, 2013, filed with the SEC on February 28, 2014, as updated by our Quarterly Report on Form 10-Q for the quarter ended March 31, 2014, filed with the SEC on May 8, 2014, and any other reports that we file pursuant to the Securities Exchange Act of 1934, as amended (Exchange Act) that are incorporated by reference in this prospectus. Our subsequent filings with the SEC may contain amended and updated discussions of significant risks. See Incorporation of Certain Information by Reference on page 8. These risk factors should be read together with the financial and other information contained or incorporated by reference in this prospectus before making a decision to buy our common stock. If any of the risks actually occur, our business, financial condition and results of operations could suffer. In these circumstances, the market price of our common stock could decline and you may lose all or part of your investment in our common stock.

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

This prospectus and the documents incorporated by reference in this prospectus, include or incorporate by reference forward-looking statements within the meaning of Section 27A of the Securities Act, and Section 21E of the Exchange Act. These forward-looking statements include all statements other than statements of historical facts contained in this prospectus and the documents incorporated by reference in this prospectus, including statements regarding our future financial position, business strategy and the plans and objectives of management for future operations. Words such as anticipates, expects, intends, plans, believes, seeks, estimates, may, could, variations of these words or similar expressions are intended to identify forward-looking statements.

We have based these forward-looking statements largely upon our current expectations, estimates and projections about future events and financial trends that we believe may affect our financial condition, results of operations, business strategy, short-term and long-term business operations and objectives, and financial needs. These statements reflect our beliefs and certain assumptions based upon information made available to us at the time of this prospectus or the time of the documents incorporated by reference.

Such forward-looking statements are only predictions, which may differ materially from actual results or future events. Although we believe that our plans, intentions and expectations reflected in the forward-looking statements are reasonable, we cannot be sure that they will be achieved. Among the factors that could cause our actual results to differ materially from those expressed in or implied by the forward-looking statements are risks and uncertainties described in the Risk Factors set forth in our periodic reports filed with the SEC which are incorporated by reference into this prospectus. See Risk Factors above. These factors are not intended to represent a complete list of the general or specific factors that may affect us. It should be recognized that other factors, including general economic factors and business strategies, may be significant, presently or in the future, and the factors set forth in the documents incorporated by reference may affect us to a greater extent than indicated. All forward-looking statements attributable to us or persons acting on our behalf are expressly qualified in their entirety by the cautionary statements set forth in the documents incorporated by reference. Except as required by law, we undertake no obligation to update any forward-looking statement, whether as a result of new information, future events or otherwise. You are advised to consult any additional disclosures we make in our Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q and Current Reports on Form 8-K filed with the SEC. See Where You Can Find More Information on page 9.

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USE OF PROCEEDS

The selling stockholders will receive all of the net proceeds from the sales of the shares of common stock covered by this prospectus. We will not receive any proceeds from the sale by the selling stockholders of the shares of common stock covered by this prospectus.

SELLING STOCKHOLDERS

The following table sets forth information regarding the selling stockholders named below and the shares that may be offered and sold from time to time by them pursuant to this prospectus. The information set forth below is based on written representations provided to us by the selling stockholders. The selling stockholders named below are referred to in this prospectus as the selling stockholders.

All of the shares that may be offered and sold pursuant to this prospectus were issued to the selling stockholders in connection with our acquisition of NowSpots pursuant to exemptions from the registration requirements of the Securities Act provided by Section 4(a)(2) thereof and/or Regulation D under the Securities Act. In connection with this acquisition, we agreed to register the shares of common stock offered under this prospectus under the Securities Act. See **Registration Rights** on page 2.

The selling stockholders may offer from time to time all or some or none of their shares under this prospectus. Since the selling stockholders are not obligated to sell, transfer or otherwise dispose of their shares, and because the selling stockholders may acquire shares of our publicly-traded common stock, we cannot estimate how many shares each selling stockholder will own after this offering. The table below assumes that the selling stockholders will sell the shares of common stock covered by this prospectus.

Unless otherwise indicated in the footnotes below, based on representations made to us by the selling stockholders, none of the selling stockholders has or within the past three years has had, any position, office or other material relationship with us or any of our affiliates. To our knowledge, none of the selling stockholders are broker-dealers or affiliates of broker-dealers, nor at the time of the acquisition, did any selling stockholder have direct or indirect agreements or understandings with any person to distribute their shares.

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Except as noted below, none of the selling stockholders beneficially own 1% or more of our outstanding common stock, based on 33,707,368 shares of our common stock outstanding as of June 12, 2014.

Name of Beneficial Owner	Number of Shares Beneficially Owned Before the Offering	Maximum Number of Shares to be Offered by Each Stockholder	Number of Shares Beneficially Owned After the Offering (1)
Andrew R. Bissell (2)	7,555	7,555	
Andrew G. Koester (2)	3,777	3,777	
Anita Avram (2)	4,533	4,533	
Brad Flora (2)(3)	921,680	921,680	
Brian E. Cary (2)	3,777	3,777	
Francois M. Lagier (2)	22,664	22,664	
Jason Rexilius	135,986	135,986	
Jonathan Chase (2)	3,777	3,777	
Jordan Buller (2)	203,978	203,978	
Kacy C. Fortner (2)	1,511	1,511	
Kiyoshi E. Martinez	755	755	
Kurt A. Mackey	21,153	21,153	
Scott M. Danielson (2)	2,644	2,644	
Steven J. McHail (2)	37,774	37,774	
Tamara G. Alexander (2)	7,555	7,555	
Tony Chan (2)	11,332	11,332	
William B. Dixon (2)	1,511	1,511	
Y Combinator Fund II, LP	107,069	107,069	
A-GRade Investments, LLC	49,381	49,381	
Twin Capital, LLC	7,934	7,934	
Lon Chow	4,761	4,761	
185 Ventures LLC	4,761	4,761	
Brian E. Hand Revocable Trust	4,761	4,761	
Andrew J. Razeghi	7,934	7,934	
Paul Graham	9,886	9,886	
Paul Buchheit	19,759	19,759	
WGI Group, LLC	7,890	7,890	
SV Angel III, L.P.	35,628	35,628	
John S. and James L. Knight Foundation	42,429	42,429	
New World 2010 LLC	7,881	7,881	
Sherpalo, LLC	15,758	15,758	

(1) Assumes the sale of all shares offered pursuant to this prospectus.

(2) The selling stockholder is also an employee of Marin Software.

- (3) The number of shares beneficially owned by the selling stockholder prior to this offering represents approximately 2.73%.

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PLAN OF DISTRIBUTION

The shares of common stock listed in the table appearing under **Selling Stockholders** are being registered to permit public secondary trading of these shares by the holders of such shares from time to time after the date of this prospectus. Registration of the shares of common stock covered by this prospectus does not mean, however, that those shares necessarily will be offered or sold. We will not receive any of the proceeds from the sale of the common stock by the selling stockholders. To our knowledge, the selling stockholders have not entered into any arrangements or understandings with any underwriter, broker-dealer or agent with respect to the sale of the shares covered by this prospectus.

The selling stockholders may sell such shares from time to time directly to purchasers (including pledgees) or through underwriters, broker-dealers or agents, at market prices prevailing at the time of sale, at prices related to such market prices, at a fixed price or prices subject to change or at negotiated prices, by a variety of methods including the following:

through the New York Stock Exchange or on any national securities exchange or quotation service on which the shares of common stock may be listed or quoted at the time of sale;

in the over-the-counter market;

in transactions otherwise than on such exchanges or services or in the over-the-counter market;

through the exercise of purchased or written options;

through a combination of any such methods; or

through any other method permitted under applicable law and our insider trading policy.

In effecting sales, brokers or dealers engaged by the selling stockholders may arrange for other brokers or dealers to participate. Broker-dealers may receive commissions or discounts from the selling stockholders (or, if any broker-dealer acts as agent for the purchaser of shares, from the purchaser) in amounts to be negotiated. Broker-dealer transactions may include:

a block trade in which a broker-dealer may resell all or part of the block, as principal or agent, in order to facilitate the transaction;

purchases by a broker-dealer, as principal, and a subsequent resale by the broker-dealer for its account;

pledges of shares to a broker-dealer, who may, in the event of default, purchase or sell the pledged shares; or

ordinary brokerage transactions and transactions in which a broker solicits purchasers on behalf of the selling stockholders.

In addition, selling stockholders who are neither an employee of ours nor otherwise subject to our insider trading policy may enter into option, derivative or hedging transactions with respect to the shares, and any related offers or sales of shares may be made pursuant to this prospectus. For example, the selling stockholders may:

enter into transactions involving short sales of the shares by broker-dealers in the course of hedging the positions they assume with selling stockholders;

sell shares short themselves and deliver the shares registered hereby to settle such short sales or to close out stock loans incurred in connection with their short positions;

write call options, put options or other derivative instruments (including exchange-traded options or privately negotiated options) with respect to the shares, or which they settle through delivery of the shares;

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enter into option transactions or other types of transactions that require the selling stockholder to deliver shares to a broker, dealer or other financial institution, who may then resell or transfer the shares under this prospectus; or

lend the shares to a broker, dealer or other financial institution, which may sell the lent shares. These option, derivative and hedging transactions may require the delivery to a broker, dealer or other financial institution of shares offered hereby, and such broker, dealer or other financial institution may resell such shares pursuant to this prospectus.

Brokers, dealers, agents or underwriters participating in transactions as agent may receive compensation in the form of discounts, concessions or commissions from the selling stockholders (and, if they act as agent for the purchaser of the shares, from such purchaser). The discounts, concessions or commissions as to a particular broker, dealer, agent or underwriter might be in excess of those customary in the type of transaction involved.

The selling stockholders and any underwriters, brokers, dealers or agents that participate in such distribution may be deemed to be underwriters within the meaning of the Securities Act, and any discounts, commissions or concessions received by any underwriters, brokers, dealers or agents might be deemed to be underwriting discounts and commissions under the Securities Act. Neither we nor the selling stockholders can presently estimate the amount of such compensation. Any selling stockholder who is an underwriter within the meaning of the Securities Act will be subject to the prospectus delivery requirements of the Securities Act and the provisions of the Exchange Act and the rules thereunder relating to stock manipulation. The selling stockholders may indemnify underwriters, brokers, dealers or agents that participate in transactions involving sales of the shares against specific liabilities, including liabilities arising under the Securities Act.

We will pay substantially all of the expenses incident to this offering of the shares by the selling stockholders to the public other than commissions and discounts of underwriters, brokers, dealers or agents.

In order to comply with certain states' securities laws, if applicable, the shares sold in those jurisdictions may only be sold through registered or licensed brokers or dealers. In addition, in certain states, the shares may not be sold unless the shares have been registered or qualified for sale in that state or an exemption from registration or qualification is available and is complied with.

We do not assure you that the selling stockholders will sell any or all of the shares offered by them pursuant to this prospectus. In addition, we do not assure you that the selling stockholders will not transfer, devise or gift the shares by other means not described in this prospectus. Moreover, any shares of common stock covered by this prospectus that qualify for sale pursuant to Rule 144 may be sold under Rule 144 rather than pursuant to this prospectus.

We may suspend the use of this prospectus if we learn of any event that causes this prospectus to include an untrue statement of a material fact or omit to state a material fact required to be stated in this prospectus or necessary to make the statements in this prospectus not misleading in light of the circumstances then existing. If this type of event occurs, a prospectus supplement or post-effective amendment, if required, will be distributed to each selling stockholder.

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LEGAL MATTERS

The validity of the shares of common stock offered hereby will be passed upon for us by Fenwick & West LLP, Mountain View, California.

EXPERTS

The financial statements incorporated in this Prospectus by reference to the Annual Report on Form 10-K for the year ended December 31, 2013 have been so incorporated in reliance on the report of PricewaterhouseCoopers LLP, an independent registered public accounting firm, given on the authority of said firm as experts in auditing and accounting.

INCORPORATION OF CERTAIN INFORMATION BY REFERENCE

The SEC allows us to incorporate by reference the information we file with them, which means that we can disclose important information to you by referring you to those documents. We incorporate by reference in this prospectus the information contained in the following documents:

our annual report on Form 10-K for the fiscal year ended December 31, 2013;

our quarterly reports on Form 10-Q for the fiscal quarter ended March 31, 2014;

our current reports on Form 8-K filed March 26, 2014; May 8, 2014; May 16, 2014; and June 4, 2014;

the description of our common stock contained in our registration statement on Form 8-A filed with the SEC on March 15, 2013 under Section 12(b) of the Exchange Act, including any amendment or report filed for the purpose of updating such description; and

all documents that we file with the SEC under Sections 13(a), 13(c), 14 or 15(d) of the Exchange Act after the date of this prospectus and prior to the termination of this offering, as of the date of filing of such documents.

In accordance with Rule 402 of Regulation S-T, the XBRL related information in Exhibit 101 to our Annual Report on Form 10-K and our Quarterly Report on Form 10-Q will not be deemed to be incorporated by reference into any registration statement or other document filed under the Securities Act, except as will be expressly set forth by specific reference in such filing.

You may obtain copies of the documents we incorporate by reference in the registration statement of which this prospectus is a part, from us, free of cost, by making a written or oral request at Marin Software Incorporated, Attention: Investor Relations, 123 Mission Street, 25th Floor, San Francisco, California 94105 or (415) 399-2580.

Any statement contained in a document incorporated or deemed to be incorporated by reference into this prospectus shall be deemed to be modified or superseded for purpose of this prospectus to the extent that a statement contained in

this prospectus (or in any document incorporated by reference therein) or in any other subsequently filed document that is or is deemed to be incorporated by reference into this prospectus modifies or supersedes such statement. Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this prospectus.

To the extent that any information contained in any current report on Form 8-K, or any exhibit thereto, was furnished to, rather than filed with, the SEC, such information or exhibit is specifically not incorporated by reference in this prospectus.

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WHERE YOU CAN FIND MORE INFORMATION

We are subject to the information requirements of the Exchange Act and file annual, quarterly and current reports, proxy statements and other information with the SEC. You may read and copy any materials that we file with the SEC at the SEC's Public Reference Room at 100 F Street, N.E., Washington, D.C. 20549. Please call the SEC at 1-800-SEC-0330 for further information on the operation of the Public Reference Room. In addition, we file those materials electronically with the SEC through the SEC's EDGAR system. The SEC maintains a website at <http://www.sec.gov> that contains the reports, proxy and information statements and other information regarding issuers that file electronically with the SEC. You also can access electronic versions of our reports, proxy statements and other information at our Investor Relations website located at investor.marinsoftware.com. We make available free of charge on our website those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended, as soon as reasonably practicable after we electronically file them with or furnish them to the SEC. Information contained on our web site is not part of this prospectus or our other filings with the SEC.

We have filed with the SEC a registration statement on Form S-3 under the Securities Act with respect to the common stock offered with this prospectus. This prospectus does not contain all of the information in the registration statement, parts of which we have omitted, as allowed under the rules and regulations of the SEC. You should refer to the registration statement for further information with respect to us and the common stock. Copies of the registration statement, including exhibits, may be inspected without charge at the SEC's Public Reference Room and on the SEC's website at the addresses set forth above.

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No dealer, salesperson or other person is authorized to give any information or to represent anything not contained in this prospectus. You must not rely on any unauthorized information or representations. This prospectus is an offer to sell only the shares offered hereby, but only under circumstances and in jurisdictions where it is lawful to do so. The information contained in this prospectus is current only as of its date.

PROSPECTUS

June 25, 2014