EXCLUSIVE: Compass scoops up Contactually, CRM-maker beloved by rivals

With the acquisition, Compass takes over a popular customer relationship management platform used by competitors at Realogy and RE/MAX

BY[PATRICK KEARNS](https://www.inman.com/author/patrickkearns/)Staff Writer

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Fast-growing national real estate brokerage [Compass](https://www.inman.com/2019/01/31/compass-ceo-calls-for-national-multiple-listing-service/) is set to acquire [Contactually](https://www.inman.com/2016/11/07/why-contactually-has-the-droids-youre-looking-for/), a private cloud-based real estate software company based in Washington, D.C. that makes one of the residential real estate industry’s leading customer relationship management (CRM) systems.

Contactually’s team of 30 employees will join Compass’ 175-person tech team to further build out Compass’ CRM and its entire suite of tech products, but they will continue to operate out of D.C.

Compass, a private and venture-funded company headquartered in New York City, declined to divulge the financials associated with the deal to Inman.



Ori Allon, co-founder and executive chairman of Compass | Credit: Compass

“The team at Contactually built a contact management and communications tool that makes real estate agents and teams more efficient and effective, saving them time and helping them make money,” Ori Allon, Compass co-founder and chairman said in a statement. “This is exactly what we’re doing here at Compass.”

“Adding their technology and talent to our own will supercharge the Compass offering and bring us closer to our vision of the industry’s first end-to-end platform.”

Contactually, which launched in 2011, boasts a client base of some of the top real estate brokerages in the country, all of whom will still be able to use the platform under its current brand name. Compass has quietly been using Contactually to power its own internal Compass CRM, which launched last year.

The main difference between the two CRMs going forward will be on the integration end. Contactually integrates with dozens of disparate platforms like dotloop, Eventbrite, Imprev and others. Whereas Compass’ CRM will be the only one allowed to integrate with Compass’ current tech stack, including its Collections and Marketing Center programs.

With the acquisition, Compass plans to take the most impactful and popular features of the existing Contactually feature sets and build those into its Compass CRM, according to a Compass source. The plan is to have a small team of engineers continue to work on Contactually’s current offering for brokerages outside Compass, while the bulk of work will be on powering and enhancing Compass’ CRM.

Contactually’s client base includes eight of the country’s top 20 brokerages, according to the company. Some of those clients, according to its website, are: RE/MAX Results, Coldwell Banker Bain, Climb Real Estate, Red Oak Realty, Zephyr Real Estate and Century 21 Redwood Realty.

That means Compass now owns the CRM used by multiple Realogy franchises, according to Contactually’s website. Just last week, Ryan Gorman, CEO of NRT, a subsidiary of Realogy, [blasted Compass in a letter to fellow Realogy executives](https://www.inman.com/2019/02/20/exclusive-nrt-ceo-blasts-compass-in-letter-to-execs/), for, “taking advantage,” of agents.

Compass also now owns the CRM currently used by Zephyr Real Estate, according to Contactually’s website. Zephyr Real Estate [sued Compass over](https://www.inman.com/2018/08/27/questions-raised-over-compass-recruiting-practices/) its agent recruiting practices.

How the deal impacts these customers across the industry in the long run remains to be seen, but Contactually said in a statement that users will continue to own their own data and contacts.

The Compass acquisition is very different from the tech acquisitions powering the end-to-end platforms for [Keller Williams](https://www.inman.com/2019/02/17/keller-williams-debuts-command-new-ai-powered-crm/) and [RE/MAX](https://www.inman.com/2019/02/26/heres-how-re-max-plans-to-end-consumers-zillow-addiction/). The three companies have been in a sort of race to build out an industry-leading end-to-end tech platform connecting agents and clients, but, as for now, only Compass will own a CRM that other brokerages are using (both KW and RE/MAX plan to keep their CRMs internal).

Last time Compass attempted to allow rival brokerages and agents access to its technology, a short-lived initiative called “[Powered by Compass](https://www.inman.com/2018/07/18/compass-to-offer-boutique-indie-brokerages-access-to-its-tech-platform/)” unveiled at [Inman Connect San Francisco 2018](https://www.inman.com/2018/07/20/all-the-news-from-inman-connect-san-francisco-2018/), the licensing deal fell apart following Compass agent backlash. But this is also different because those outside clients won’t have access to Compass CRM, only Contactually in its current form.



Zvi Band, co-founder and CEO of Contactually.

“The Contactually team has worked for the past 8 years to build a best-in-class CRM that aggregates relationships and automatically documents every touchpoint,” [Zvi Band](https://www.inman.com/2019/01/22/connect-the-speakers-zvi-band-on-getting-agents-to-utilize-tech-tools/), co-founder and CEO of Contactually said in a statement.

“We are proud that our investment into machine learning has resulted in new features like Best Time to Email and other data-driven, follow-up recommendations which help agents be more effective in their day-to-day,” Band added. “After working extensively with the Compass team, it was apparent that joining forces would accelerate our missions of building the future of the industry.”

The popular CRM includes features that help agents nurture, prioritize and follow up with leads, clients and referral sources. It has added a number of functions over the last year, including a Chrome extension that allows users to edit contact details right within Gmail and receive automated outreach suggestions. Contactually also has a function which can estimate when contracts will transact.

The acquisition comes after Compass [announced it would open a technology development hub in Seattle](https://www.inman.com/2018/12/13/compass-looking-to-nearly-double-its-tech-team-with-new-seattle-hub/), and [hired a former Microsoft artificial intelligence executive](https://www.inman.com/2018/12/04/compass-taps-microsoft-executive-as-new-chief-technology-officer/) as its chief technology officer, in the wake of getting [an additional $400 million in venture capital funding](https://www.inman.com/2018/09/27/compass-raises-another-400m-toward-international-expansion/) and [acquiring engineering talent from e-commerce app Spring](https://www.inman.com/2018/10/25/compass-acquires-tech-team-from-shopping-app-spring/).

The company has shaken up the real estate industry since its launch in 2012 under the name “Urban Compass,” rapidly expanding last year across the country through [a series of acquisitions](https://www.inman.com/2018/07/13/compass-new-direction-which-brokerages-will-it-acquire-next/) that grew its [agent count from 2,000 to 8,000](https://www.inman.com/2019/01/09/compass-opens-new-colorado-offices-in-denver-and-boulder/), and [sparking debate along the way](https://www.inman.com/2018/06/28/compress-president-riles-up-industry-with-opinions-on-tech/) over its marketing, [growth tactics](https://www.inman.com/2018/08/27/questions-raised-over-compass-recruiting-practices/), and [self-stated technology focus](https://www.inman.com/2019/01/03/compass-ceo-acknowledges-tech-problems-promises-fixes-in-2019/). It said to be [valued at $4.4 billion](https://www.bloomberg.com/news/articles/2018-09-27/compass-is-said-to-raise-funds-at-4-4-billion-valuation) following several multi-hundred million dollar private investment rounds from leading venture backers [including the SoftBank Vision Fund](https://www.inman.com/2018/09/27/why-softbank-is-betting-big-on-opendoor-compass-and-real-estate-tech/).