
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): February 3, 2023

Marchex, Inc.

(Exact name of Registrant as Specified in its Charter)

Delaware
(State or other jurisdiction
of incorporation)

000-50658
(Commission File Number)

35-2194038
(I.R.S. Employer
Identification No.)

520 Pike Street Suite 2000,
Seattle, Washington
(Address of principal executive offices)

98101
(Zip Code)

Registrant's Telephone Number, Including Area Code: (206) 331-3300

Not Applicable

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Class B Common Stock	MCHX	The Nasdaq Global Select Market

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 1.01 Entry into a Material Definitive Agreement.

The information set forth under Item 5.02 of this Current Report on Form 8-K is incorporated herein by reference.

Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements for Certain Officers.

On February 6, 2023, Marchex, Inc. (“Marchex” or the “Company”) announced that Edwin A. Miller (“Miller”) joined Marchex as its Chief Executive Officer effective February 3, 2023 (the “Start Date”). Mr. Miller, age 53, previously served as an Operating Executive with Gemspring Capital since May, 2021, President, CEO and Director of The Intersect Group from January through December 2020, and President, CEO and Director of Astreya Partners from 2014 to 2019.

Mr. Miller’s annual base salary will be \$425,000 with an annual bonus opportunity based upon the attainment of mutually agreed to performance measures. For 2023, if all targets are met at 100%, the bonus amount is \$376,250 (the “Target Amount”), with the maximum aggregate bonus amount being 195% of the Target Amount. The bonus payout percentages shall be 50% to 195% based on the performance target category and shall be based on achieving specified revenue (new revenue and total revenue) and adjusted OIBA targets to include the 2023 fiscal year with each target category weighted 33 1/3%.

As an inducement to join Marchex, Miller will receive an option to purchase 375,000 shares of Class B common stock (the “Performance Option”, and collectively with the Option below, the “Options”) effective on the Start Date and issued pursuant to the Plan. The exercise price of the Performance Option is the closing price of the stock on the Start Date and shall be an incentive stock option to the extent permitted by the Code and otherwise a nonqualified stock option. The Performance Option shall vest on the fifth annual anniversary of the Start Date with accelerated vesting upon certain events and subject to continued employment at all such times. With respect to acceleration, (a) 50% of such option shares shall vest upon attainment of specified revenue, adjusted OIBA or share price targets at the later of twenty-four (24) months or performance attainment (2023 revenue (or subsequent years) exceeding 120% of year of grant level, 2023 adjusted OIBA (or subsequent years) exceeding specified multiples of year of grant level, or following the first year the Class B Common Stock share price for twenty (20) consecutive trading days exceeding 150% of the year of grant trading day average), and (b) such remaining unvested option shares shall vest upon attainment of specified revenue, adjusted OIBA or share price targets at the later of thirty-six (36) months or performance attainment (2023 revenue (or subsequent years) exceeding 127% of year of grant level, 2023 adjusted OIBA (or subsequent years) exceeding specified multiples of year of grant level higher than the initial performance target above, or following the first year the Class B Common Stock share price for twenty (20) consecutive trading days exceeding 160% of the year of grant trading day average).

In addition, Mr. Miller will receive an option to purchase 300,000 shares of Class B common stock (the “Option”) effective on the Start Date and issued pursuant to Marchex’s 2021 Stock Incentive Plan (the “Plan”). The Option will vest over four years, with 25% of the total option shares vesting on the first anniversary of the Start Date and the remainder vesting quarterly thereafter over the next three (3) year period in equal increments of 6.25% of the aggregate amount of such shares. The exercise price of the Option is the closing price of the stock on the Start Date and shall be an incentive stock option to the extent permitted by the Internal Revenue Code of 1986, as amended (the “Code”), and otherwise a nonqualified stock option. Continuous vesting of the Option is subject to Miller remaining a continuous full-time active employee through the applicable vesting date.

The Options above will become vested and nonforfeitable following the occurrence of a “Change in Control” (as such term is defined below) of the Company as follows: 1/3rd upon occurrence of a Change in Control, 1/3rd upon the eighteen month anniversary, and 1/3rd upon the second annual anniversary, respectively, of such Change in Control. “Change in Control” shall mean the consummation of: (a) a merger, consolidation or reorganization with or into the Company or in which securities of the Company are issued, unless such merger, consolidation or reorganization is a “Non-Control Transaction” (a “Non-Control Transaction” is a merger, consolidation or reorganization with or into the Company or in which securities of the Company are issued where the shareholders of the Company immediately before such merger, consolidation, or reorganization, own, directly or indirectly, at least fifty-one percent (51%) of the outstanding securities of the corporation resulting from such merger, consolidation or reorganization); or (b) a complete liquidation or dissolution of the Company; or (c) the sale or disposition of all or substantially all of the assets of the Company to any person.

In the event that Miller is terminated by the Company without “Cause” (as such term is defined below) prior to the occurrence of a Change in Control, Miller will receive the following: (a) for termination before the one year anniversary of the Start Date, a lump sum payment equal to one year of base salary plus any accrued bonus through the date of termination, and an additional twenty-five percent (25%) of vesting on the Options; (b) for termination on or following the one year anniversary of the Start Date and before the two year anniversary of the Start Date, a lump sum payment equal to one year of base salary plus any earned bonus for the prior calendar year if not yet paid plus any accrued bonus through the date of termination, and an additional fifty percent (50%) of vesting on the Options; and (c) for termination on or following the two year anniversary of the Start Date, a lump sum payment equal to one year of base salary plus any earned bonus for the prior calendar year if not yet paid plus any accrued bonus through the date of termination, and one hundred percent (100 %) of vesting on the Options. Cause shall mean that the Company’s Board of Directors has

reasonably determined in good faith that any one or more of the following has occurred: (i) Miller shall have been convicted of, or shall have pleaded guilty or nolo contendere to, any felony or a crime of moral turpitude or to a driving under the influence or drug related offense; (ii) Miller shall have willfully failed or refused to carry out the reasonable and lawful instructions of the Company's Board of Directors (other than as a result of illness or disability) concerning duties or actions consistent with his then current position in a timely manner and otherwise in a manner reasonably acceptable to the Company's Board of Directors and such failure or refusal shall have continued for a period of ten (10) days following written notice from the Company's Board of Directors describing such failure or refusal in reasonable detail; (iii) Miller shall have breached any material provision of any agreement with the Company or the Company's Code of Conduct; (iv) Miller shall have committed any fraud, embezzlement, misappropriation of funds, breach of fiduciary duty or other act of dishonesty against the Company, or (v) the violation by Miller of any applicable securities laws or SEC regulations or the Company experiencing any deficiency or material weakness in internal controls occurring with his knowledge.

In the event that Miller is terminated by the Company without Cause upon or following the occurrence of a Change in Control, Miller will receive the following: (a) a lump sum payment equal to one year of base salary plus (i) any accrued bonus through the date of termination if before the one year anniversary of the Start Date, or (ii) any earned bonus for the prior year if not yet paid plus any accrued bonus through the date of termination if on or after the one year anniversary of the Start Date, and an additional fifty percent (50%) of vesting on the Options; and (b) upon the 18 month anniversary of the Change in Control, one hundred percent (100%) of vesting on the Options.

In connection with such appointment, Marchex entered into its standard form indemnity agreement for Marchex's Section 16 executive officers and directors with Mr. Miller. There is no family relationship between Mr. Miller and any other executive officer or director of Marchex and there is no arrangement or understanding between Mr. Miller and any other person pursuant to which he was appointed Chief Executive Officer of Marchex. There are no transactions in which Mr. Miller has an interest requiring disclosure under Item 404(a) of Regulation S-K.

On February 6, 2023, the Company also announced that effective February 3, 2023, Ryan Polley had been appointed President of the Company. Mr. Polley will also continue to serve as the Company's Chief Operating Officer. There is no family relationship between Mr. Polley and any other executive officer or director of Marchex and are no arrangements or understandings between Mr. Polley and any other person pursuant to which Polley was appointed President of Marchex. There are no transactions in which Mr. Polley has an interest requiring disclosure under Item 404(a) of Regulation S-K.

On February 6, 2023, the Company also announced that effective February 3, 2023, Russell C. Horowitz, previously Co-CEO, would continue to serve as Chairman of the Board of Directors. The Company has entered into a consulting agreement with Mr. Horowitz, dated February 3, 2023 (the "Consulting Agreement"), which has a term of one (1) year, provides for a payment of \$21,250 per month and automatically renews for additional one-year terms unless either party provides at least ninety (90) days' written notice of nonrenewal, and Mr. Horowitz's duties shall be to assist the Company with long term strategy and strategic matters. The above summary is qualified in its entirety by reference to the Consulting Agreement, a copy of which will be filed as an exhibit to the Company's next applicable periodic report.

On February 6, 2023, Marchex also announced that effective February 3, 2023, Michael Arends, previously Co-CEO, had been appointed to the Company's Board of Directors as Vice Chairman. Mr. Arends will also continue to serve as the Company's principal financial officer for SEC reporting purposes. There is no family relationship between Mr. Arends and any other executive officer or director of Marchex and are no arrangements or understandings between Mr. Arends and any other person pursuant to which Arends was selected as a director of Marchex. There are no transactions in which Mr. Arends has an interest requiring disclosure under Item 404(a) of Regulation S-K.

On February 3, 2023, John Roswech resigned as the Company's Chief Revenue Officer. Mr. Roswech will serve as a consultant to the Company for six months to provide assistance on specified sales initiatives, with compensation of \$33,333 per month and a grant of 50,000 shares of restricted stock which shall vest upon satisfactory completion of the consulting term.

Except as provided above, there were no changes in compensation in connection with the foregoing matters.

A copy of the press release dated February 6, 2023 announcing the foregoing appointments is attached as Exhibit 99.1 to this report and incorporated herein by reference. The information contained in the press release attached hereto is being furnished and shall not be deemed filed for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liability of that section, and shall not be deemed incorporated by reference into any registration statement or other document filed under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in such filing.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

Exhibit

No.

Description

99.1	Press Release of Marchex, dated February 6, 2023
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, Marchex has duly caused this Current Report to be signed on its behalf by the undersigned hereunto duly authorized.

MARCHEX, INC.

Date: February 6, 2023

By: _____ /s/ FRANCIS J. FEENEY
Name: **Francis J. Feeney**
Title: **Secretary**

Marchex Appoints Edwin Miller as New CEO

Ryan Polley, Chief Operating Officer, Also Promoted to the Role of President

SEATTLE--(BUSINESS WIRE)—February 6, 2023-- [Marchex, Inc.](#) (NASDAQ: MCHX), the award-winning AI-powered conversation intelligence company that helps businesses turn strategic insights into the actions that drive their most valued sales outcomes, today announced that Edwin Miller has joined the company as its CEO. Russell Horowitz, Marchex's Chairman of the Board, will continue in this role and Michael Arends will serve as the company's Vice Chairman.

A highly experienced entrepreneur and technology industry executive who has led and managed numerous dynamic organizations, Miller most recently was an operating executive with Gemspring Capital, a private equity firm with \$3.4 billion of capital under management. In this role, Miller reviewed and advised on all facets of company operations, from strategy to execution, for numerous technology businesses across a wide spectrum in the global technology landscape.

Miller previously served as CEO of Astreya, an IT services solution provider, and was a member of its Board of Directors after initially advising the company. During Miller's 6-years of leadership, the company nearly quadrupled revenue, while headcount doubled to more than 1,000 employees. Prior to Astreya, Miller was the CEO of Everest Software, an enterprise software company with more than 3,000 customers around the globe, where he helped drive innovation in the product offerings and an improved go to market approach, prior to its successful exit to Versata. Miller was also previously the CEO of InfoData, where he helped formulate and execute new business strategies, returning the company to profitable performance and achieving 11 consecutive quarters of growth. InfoData was successfully sold to McDonald Bradley at a 14x valuation multiple. Miller currently serves on the boards of private companies in the Drone, AI, and SaaS marketplaces, and has an MBA from George Washington University.

Marchex also today announced that Ryan Polley, the company's Chief Operating Officer, has been named to the additional role of President. Polley's responsibilities include overseeing the product and engineering organizations at Marchex, as well as developing the strategies that expand the company's artificial intelligence capabilities and customer channel opportunities.

"I am thrilled that Edwin is joining Marchex at such a key point in our opportunity," said Russell Horowitz, Marchex's Chairman of the Board of Directors. "His knowledge and experience across the technology landscape, including business analytics, make him a tremendous fit with the existing leadership team. His deep, hands-on experience with customers and products, and developing and implementing strategy and tactics, will help to accelerate our current leadership position in Conversational Analytics. This is also an ideal time to recognize, expand and formalize Ryan's increased company leadership and responsibilities as our President and COO," added Horowitz. "Today's evolution of our leadership team positions us extremely well in terms of executive level talent, distinctive subject matter expertise, and complete commitment to our unique and we believe transformative opportunity in Conversational Analytics."

"I am excited to be joining Marchex, as the company's growing base of world-class customers, expanding product portfolio and rich conversational data assets create a compelling opportunity to accelerate the company's leadership position within the conversational intelligence market,

said Edwin Miller, Marchex CEO. “I see significant near-term opportunity as well as meaningful long-term growth potential for Marchex and I look forward to working with the team to realize our considerable potential.”

About Marchex

Marchex’s award-winning conversation intelligence platform, featuring AI-powered sales engagement and marketing solutions, helps businesses turn strategic insights into the actions that drive their most valued sales outcomes. Our multichannel voice and text capabilities enable sales and marketing teams to deliver the buying experiences that today’s customers expect. Marchex is the trusted conversation intelligence partner for market-leading companies in critical industries, including many of the world’s most innovative and successful brands.

Please visit <http://www.marchex.com>, www.marchex.com/blog or [@marchex](https://twitter.com/marchex) on Twitter ([Twitter.com/Marchex](https://twitter.com/marchex)), where Marchex discloses material information from time to time about the company, its financial information, and its business.

Forward-Looking Statements:

This press release contains forward-looking statements that involve substantial risks and uncertainties. All statements, other than statements of historical facts, included in this press release regarding our strategy, future operations, future financial position, future revenues, other financial guidance, acquisitions, dispositions, projected costs, prospects, plans and objectives of management are forward-looking statements. We may not actually achieve the plans, intentions, or expectations disclosed in our forward-looking statements and you should not place undue reliance on our forward-looking statements. Actual results or events could differ materially from the plans, intentions and expectations disclosed in the forward-looking statements we make. There are a number of important factors that could cause Marchex's actual results to differ materially from those indicated by such forward-looking statements including but not limited to product demand, order cancellations and delays, competition and general economic conditions. These factors are described in greater detail in the "Risk Factors" section of our most recent periodic report and registration statement filed with the SEC. All of the information provided in this release is as of the date hereof and Marchex undertakes no duty to update the information provided herein.

In the event the press release contains links to third party websites or materials, the links are provided solely as a convenience to you. Marchex is not responsible for the content of linked third-party sites or materials and does not make any representations regarding the content or accuracy thereof.

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