

Breakup for online dating app Tinder and parent

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IAC chairman Barry Diller, pictured on July 10, 2014, said it was time to spinoff the popular online dating app Tinder

The popular online dating app Tinder is breaking free as part of a spinoff announced Thursday by parent company IAC/InterActive Corp.

IAC said its board approved a plan to spin off its Match unit which includes the online services Match.com, Tinder, Meetic, OkCupid and

OurTime, and which operates in some 200 markets worldwide.

IAC chairman Barry Diller, who created the conglomerate which includes a range of Internet firms including About.com, The Daily Beast, Investopedia and ShoeBuy, said the time was right to break up.

"As many know from our actions over the last 20 years, I'm not a believer in simply agglomerating assets in perpetuity," he said in a statement.

"I've long felt that as entities grow into size and maturity it's healthy to give them separation and independence from a mother church."

One of the key elements in the unit is Tinder, one of the popular online dating applications for mobile devices which allows users to view photos of prospective dates and swipe right to approve or left to reject.

Tinder recently launched a premium subscription service.

Diller's group has a history of acquiring and spinning off assets. It has owned brands such as Newsweek, Live Nation, Evite, Urbanspoon and others over the years.

Under the plan announced Thursday, IAC has named Joey Levin, formerly head of its search and applications business, CEO of IAC. Greg Blatt will remain chairman, and Sam Yagan CEO of the Match Group.

"Today's changes highlight both the incredible historical success at the Match Group and the exciting collection of assets within IAC," said Levin.

Blatt said Match Group "is poised for substantial growth in the coming years."

"The dating industry has come a long way since its inception, but the category remains underpenetrated," he said.

"We believe the combination of our more established businesses such as Match, Meetic, and OurTime, and earlier stage businesses such as Tinder and OkCupid, creates an attractive combination of significant cash flow generation, strong margins and meaningful growth potential."

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