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The Beat Goes On

When the financial crisis hit in 2008 it transformed the technology industry. It brought IPOs to a sharp halt, shed light on venture capital's long return drought and accelerated the macroeconomic imbalance between the old and the new worlds, between Europe and Asia, and Asia and America. For the first time in years, a pessimistic outlook developed the world over.

But, as often is the case, the worst did not materialize. Societies are living organisms and react in many ways. Technology has since marched towards unchartered territories at a brisk pace. The United States is well on the way to recovery. The number of innovations brewing across the country and worldwide make us realize that the economic landscape is about to change drastically, and for the better.

When we launched the first Red Herring Top 100 VC survey in 2009, we revealed that more than 250 companies with sales exceeding $100 million were churning new products and business models and revolutionizing daily lives one touch-point at a time. Three years later, the number has doubled and a number of concepts once regarded as science-fiction are closer than ever to reality. Because we are so focused on short term events and daily constraints, it is hard to comprehend how this will affect us. But just think of how Apple products have revolutionized our daily lives in less than a decade, and you might get a sense on what is lying ahead.

Economist Joseph Schumpeter received the Nobel Prize on the basis of a single revelation: creative destruction. His contemporary, Albert Einstein, another Nobel Laureate, forced scientists to rethink the universe through the theory of relativity, and all scientific disciplines and philosophies were disrupted overnight. Today, economics and science are at a juncture where they are changing the planet at the same speed.

It is not too much to say that the companies featured in this issue are just an illustration of a larger trend, and that inevitably even more prominent actors will emerge.

The companies featured in this issue may feel they have a lot to live up to, but they can draw inspiration from history. Imagination cannot be harnessed, the march to innovation is never organized, and the evolution of technology will always be full of surprises. RH

Alex Vieux

Alex Vieux, Editor-in-Chief and Publisher

EUROPE'S TOP 100

Europe's Brightest

For the past two decades, we have faced a lingering question - how can Europe adapt to the technology sector's rules and methods, keep pace with innovation and bring to market successful products with a global reach? Most European leaders paid attention to the technology sector, realizing that in the US it accounts for 10% of the total workforce.

They put together programs, fiscal enticements and in some cases integrated channels from universities and labs to start ups. Unfortunately, crises in 2000 and 2008 have severely hindered the progress of technology innovation in Europe. It seems that now, while struggling to control a severe and lingering recession, tech has become less of a priority.

Nevertheless, The Red Herring 2012 Top 100 Europe is living proof that in spite of adverse conditions, entrepreneurs are still making inroads. In fact, the challenging circumstances being faced in Europe can lead to the establishment of more successful companies, with solid IP and patents, substantive sales footprints and unabated enthusiasm. European founders have one distinct advantage – 75% of them have experience in a start-up before and are geared to o vercome the unexpected obstacles.

When we met in April in Amsterdam, we realized that Delft University of Technology in The Netherlands, Polytechnic in Zurich and Normale Sup in Paris, among several others, are still churning out many brilliant minds that have the potential to revolutionize the world. The European region grants over 300,000 Masters and PhDs in Science and Mathematics each year – way beyond the US. However, the ecosystem and infrastructure remains skimpy at best, which reduces the fluidity and ease with which emerging companies go to market. Acquisitions have slowed down, IPOs have come to a halt and limited partners have all but stopped feeding the system with a significant portion of venture capital allocations.

The Top 100 European companies therefore deserve more than a passing recognition. They are the ultimate triumph of resilience over hardship, of vision over fear and of execution in spite of all odds. Most of the companies are in breakthrough fields and will make it no matter what, ultimately expanding their footprints. Their balance sheets and income statements demonstrate discipline and huge growth potential. Many of them have established a solid presence across continents. We are proud of this vintage and congratulate the entrepreneurs and their teams, whose efforts and contribution never cease to amaze us. RH

The 2012 Winners: A-Z

- Abionic
- Acronis
- AlertMe.com
- Almira Labs
- AlphaSIP
- Analytics SEO
- Aquafadas
- ATG Media
- Atosho
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- Welcome Real-time
- Wimdu
- ZBD Displays
- Zerto
- Zitra
- Zitralia

RH

Abionic

Company: Abionic
URL: www.abionic.com
CEO: Nicolas Durand
Sector: Biosciences/Biomedical
Country: Switzerland
VC$: Yes

Visit a doctor for an allergy test, and most likely you'll have to come back. Typically, allergists send results to the lab, which takes several days to process at the bare minimum, leaving the patient sniffling, waiting for a remedy.

With the abioSCOPE from Abionic, however, you can have those same results in 20 minutes, complete with an allergy prescription that spells relief as soon as you walk out of the physician's door.

Based in Switzerland, Abionic's technology provides user friendly allergy diagnosis complementary to painful skin tests. Abionic's approach needs only a simple drop of blood, rather than the large blood sample currently needed by traditional methods, and does not require a lab. The blood is placed on the abioDISC that's about the size of a CD, which is placed into the abioSCOPE for agile detection. The machine works as a laser microscope to detect the sample.

"We are opening new possibilities for physicians," said Dr. Nicolas Durand, Founder and CEO of Abionic. "More people expect the physician to know everything and provide instant results. Our solution does just that. We provide tools that give accurate analysis instantly."

Abionic's core technology is based on Durand's doctoral thesis. His research investigated the diffusion of proteins in a confined area to understand their molecular dynamics in order to detect illnesses, vitamin deficiency, or drug presence in a blood sample. The winner of the 2006 Omega Award, Durand also helped develop resonating biosensors at Carnegie Mellon University in the U.S.

With about 400 million people suffering from allergies, Abionic faces a $4 billion global market that is quickly growing. Competitors include Quest Diagnostics, Commonwealth Medical Laboratories, and SensiVida.

The company is still in product development, with hopes to get European approval for the product this year, and the U.S. the next. It plans to soon enter its Beta testing phase, and plans to start selling the device before the end of 2013. Its primary customers include biologists, allergists, general practitioners, and pediatricians.

The company faces two big barriers to market, Durand explained. The analysis labs themselves could pressure physicians who opt to do in-house testing by restricting access to other tests. IVD labs could assert similar pressures. Yet the device's convenience should prove attractive to both patient and physicians. Abionic's in-house allergy tests return the margin to physicians that is typically lost to the processing labs, Durand explained.

In terms of further development, the company plans to expand the platform to test for other samples such as saliva and urine, and to test for other diseases such as Alzheimer's.

The company has had nearly $2 million in investment funding from Polytech Ventures, Blue Ocean Ventures, Business Angels Switzerland (BAS) and Fongit Seed Invest.

"We definitely have a lot of challenges to face, but we've got a good team," Durand said. "We're very optimistic about the opportunity to improve the process of allergy detection." RH

Acronis

Company: Acronis
URL: www.acronis.eu
CEO: Alex Pinchev
Sector: Computers/Software/Technology
Country: Sweden
VC$: Yes

In the downpour of data deluge, Acronis can backup any data from anywhere within minutes, providing the next generation solution for backup recovery.

"It costs nothing to create data, but it's more valuable than gold," said Alex Pinchev, President and CEO of Acronis. "The problem is the old way of doing backup recovery no longer works because of the sheer amount of data involved. The customer doesn't have a window large enough to backup their data. You need our next generation solution."

Using sophisticated deduplication, data compression, snapshot and imaging technology, Acronis can back up immense amounts of data in the space of a few minutes. Plus, it can handle data from multiple sources on a single platform, vastly simplifying an enterprise's data management needs. The 2012 Acronis Disaster Recovery Index revealed that over 35 percent of organizations use more than three to five products to manage data backup tasks. Acronis can manage backup and recovery needs for Windows and Linux platforms, physical servers and virtual machines running any major hypervisor from a unified platform and single management console. The solution is easy to setup and use, Pinchev said.

"We offer a one-stop shop," Pinchev said. "From our platform, you can do anything."

With offices in 18 countries, the company does business through partnerships in 90 countries. Its customers are spread throughout Europe and the Americas, with a large base in Japan, with quick growth in Asia in areas like Singapore and Korea. It has recently entered the emerging markets of Brazil, China and India.

The company continually pursues technological development, Pinchev said. Of its more than 750 employees, more than half are developers. The company is working to expand the platform to offer cloud recovery, mobile computing and secure data delivery, and more efficient methods to back up big data.

With Insight Ventures as an investor of the company, Acronis has a long history of profitability and invests its own continued growth. It currently earns annual revenues in excess of $100 million.

And the market opportunity is huge. By 2015, IDC predicts that spending on data protection and recovery will reach $6 billion, while storage software in the virtual ecosystem is expected to hit $6.7 billion. Big data storage is meanwhile expected to hit $3.5 billion, and cloud backup and file service will be worth $4 billion. The backup appliance market is expected to hit $5 billion. All told, Acronis will soon face a $25.2 billion market that spans the horizons.

It was enough of an opportunity to convince Pinchev to leave his position at Red Hat, where he served as executive vice president and president, global sales, services and field marketing. The potential was just too great, he explained.

"It wasn't easy to leave, but this is an immense opportunity," Pinchev said. "We are in the middle of a very hot market, and Acronis is the next generation solution."

Competitors include Barracuda Networks, NovaStor, and FalconStor. RH

AlertMe.com

Company: AlertMe.com
URL: www.alertme.com
CEO: Mary Turner
Sector: Internet & Services
Country: United Kingdom
VC$: Yes

AlertMe provides Internet connectivity to the home, monitoring electricity usage right down to the coffee pot. The company produces a connected home service monitor that controls and monitors energy usage of everything in the home online.

"The next space for connectivity is the home," said Mary Turner, CEO of AlertMe. "Consumers live busy lives outside of the home, and anything that makes their lives more comfortable and cost-effective, they will engage. It's more than just insight and control, but also intelligent management of the home."

Consumers can control thermostats remotely so the house is the perfect temperature when they come home. Coffee pots left on can be switched off with a mobile phone. Easy to install, the device simply plugs into your broadband router and wirelessly connects to other devices in the home such as sensors, smoke & CO detectors, cameras, heating control thermostats, smart plugs, smart appliances and smart meters. It then uses a home broadband connection to place the devices online for better control and monitoring. Through greater control, consumers can better measure and budget the electricity they use, bringing down costs and minimizing their carbon footprint.

And consumers can measure their energy at a price that doesn't bring the roof down. Unlike other energy monitors targeted for large commercial buildings or the affluent, AlertMe markets itself as affordable. Though the device is typically sold through channel partners who set their own terms, the company has a general price tag when selling directly to consumers of £49.99.

The company's route to market is through tier one channel partners who sell to mass consumer bases, including utilities, telecoms companies and retailers. It has formed partnerships with British Gas in the UK, which serves 12 million homes and 15.7 million energy accounts, and Lowe's in the U.S., which serves 15 million customers every week. AlertMe has also served a small number of direct consumers. The company has already shipped over 1 million wireless enabled devices, including hubs, energy monitors and sensors.

"The market will be significant," Turner said. "What's driving this technology is the penetration of broadband and smartphones. People are already connected to everything in their lives, and that will soon include the home. We are at the forefront of the Connected Home market and this is predicted to be huge – ON World predicts 38 million smart homes by 2015 generating revenues of $6 billion from cloud services like AlertMe."

The company's revenue has grown 10 fold in the last three years, earning $10 million in 2011. Turner anticipates a 200 percent revenue increase for the next two to three years.

The company has had two rounds of funding totaling $29.9 million from Index Ventures, Good Energies, Vantage Point Capital Partners, SET Venture Partners and others. The funds provided support for rolling out the platform and the development of channel partners. Not yet considering an exit, Turner said the company remains focused on growth, expanding geographically and enhancing the product.

"This will be the next big consumer technology wave," Turner said. "Consumers already have the technology in their hands and the motivation to adopt, and they want a simple and single user interface for all applications. We have made this affordable, accessible and easy to use. We are motivated by new applications and innovation in this space."

Competitors include EcoDog, ecobee and Amber Technologies.

Almira Labs

Company:	Almira Labs
URL:	www.almiralabs.com
CEO:	Javier Martin
Sector:	Communications
Country:	Spain
VC$:	Yes

Using simple voice and text, Almira Labs can connect any feature phone to smartphone capabilities.

Specializing in software development for the communication industry, the company strives to offer telecommunication technology regardless of device by connecting through the common platforms of voice and text. The company's technology allows feature phone users to check and send email using voice and text, including transmitting audio messages that are then transcribed into email. Likewise, emails are provided either as text or audio files. Users can also post on Facebook, using either written messages or audio files that are then posted on the site.

The company's platform operates in the cloud, requiring no downloads or other complexity.

"Smartphones and 4G technology are fantastic, but expensive, and not everyone is on board," said Javier Martin, co-founder and CEO of Almira Labs. "Voice, on the other hand, is the universal app. Everyone has it. If you connect through voice, you can connect with 100 percent of your installed base. That's exactly what we've done."

The company sells its platform to mobile operators, which then re-sell it to their customers. Only recently launched out of R&D, Almira Labs just began selling its platform last year. It is currently serves four providers, and is working on adding another five.

"We know we will do well," Martin said. "We are selling strong all over the world. We need to expand the company, land additional investments, and hire more people so we can really get this to take off."

Its margins widely vary depending on the business model. For pure product sales, the company earns margins of 50 percent or higher, due to its low cost, fast development approach. Margins for its revenue sharing model are substantially higher if services increase. Margins for ad-hoc developments are typically around 30 percent.

The company began selling its product in Spain, and has since added France, Italy, and North America. It has experienced a high demand in Latin America where smartphone penetration is low, and has plans to soon expand to three Latin American countries. Likewise, it sees a huge opportunity in Asia, but will need additional resources to spread to the region.

The company has so far had about $2 million in venture investment from Banca Civica. It is currently seeking an additional round of $5 million to propel its expansion.

Hiring is also on the agenda. Currently employing 14 people, the company will grow to 25 people by the end of the year, and 25 to 40 people the next depending on how much investment the company can get.

On the R&D side, the company would like to add more services to its platform, including mapping capabilities and search.

"The moment we connect voice channels to the Internet, then any web feature can be accessed through voice," Martin said. "We just need to expand the platform."

Analysts predict there will be about 18 billion devices in the world by 2016, including 11 billion feature phones, a 63 percent penetration despite the increasing popularity of smartphones. It's a huge market, one that a team of 14 people will only be able to get a portion of, Martin admitted. "That is why we need to grow."

In terms of an exit strategy, Martin would like to sell the technology to a bigger player, perhaps in two to three years.

"When our customers look at it, they say, 'Wow, this is brilliant,'" Martin said. "They don't need to add any infrastructure, and they can address their subscriber base like never before. I am most optimistic simply because of the feedback I get from our customers."

The company competes against Blaast, a Finnish company that uses the cloud to deliver smart characteristics to feature phones.

AlphaSIP

Company:	AlphaSIP
URL:	www.alphasip.es
CEO:	Miguel Roncales
Sector:	Biosciences/Biomedical
Country:	Spain
VC$:	Yes

AlphaSIP strives to revolutionize the detection of diseases or substances with a saliva test that reveals results within minutes. The Spanish bio-nanotech company provides immediate and reliable disease and substance detection. It produces the Cocochip, a drug test designed for roadside security that reveals reliable results from a saliva sample within five minutes. Its TromboChip provides a fast diagnostic test for deep venous thrombosis, enabling patients to access the risk of heart attack themselves from a simple saliva sample within the comforts of their own home.

The technology is based on the ASIP chip that uses Field Effect Transistor based sensors to detect change in the conductivity of the chip for real time diagnosis. Using a ultrasensitive biosensor chip based on nanotubes, the chip is designed to replace the slower and more complicated Enzyme-linked immunosorbent assay technique, the standard enzyme test for the detection of a substance in a liquid sample.

The company was founded in 2008 and is based in Zaragoza, Spain. It has an office in Boston.

Analytics SEO

Company:	Analytics SEO
URL:	www.analyticsseo.com
CEO:	Laurence O'Toole
Sector:	United Kingdom
Country:	SaaS
VC$:	No

For Analytics SEO, it's easy to keep score. The company produces SEO monitoring software that organizes the messy details of SEO campaigns. Designed for managers of multiple websites, the platform gathers the key data in a simple, easy-to-read interface, making the process of managing an SEO campaign vastly efficient. It automates all the steps of an SEO campaign, simplifying very complicated strategies into step by step tasks. The scalability of the platform makes it ideal for enterprises and small businesses alike. For proof, Analytics SEO needs only to share its numbers.

Through using its platform, the company's customers achieve an average 85 percent improvement in conversions and a 160 percent increase in traffic.

The company's software also includes a lead generation tool that generates on average over 1,000 leads for its clients (mainly SEO and digital agencies) each month.

"It's very simple to break down the success of our application and prove it to our clients," said Laurence O'Toole, CEO of Analytics SEO. "We built a platform that makes it easy to manage SEO campaigns for multiple websites simultaneously. It works, and we can prove it. That makes it easy to convince prospective clients to give us a try."

O'Toole and other members of the management team held senior positions with Thomson Directories, a major UK local directory publisher. In 2004, they build a local pay-per-click search engine, but for local advertisers. That led to the development of the technology for Analytics SEO.

The company serves over 16,000 SEO websites, doubled from 8,000 in the first few months of 2012. The company's main strategy is to partner with large SEO companies to serve their customers. It has a number of large partnerships with publishers and hosting providers to re-sell its whitelable SEO solution, including one with TouchLocal, the second largest UK online yellow pages player, which uses its platform to serve thousand of SMB customers. The company has also formed partnerships to grow its customer base in Scandinavia, South Africa and across Europe and as far as Israel.

The company will focus its efforts on expanding internationally through partnerships, as well as continue to evolve its platform to keep up with the ever changing world of SEO. It has recently launched a Freemium offer and plans to extend its platform to multiple languages in order to expand to new regions. The company also plans to enhance its platform to have more of a focus on local search and mobile.

"The SEO world is changing," O'Toole said. "The SEO world of today is very different from what it will be tomorrow. It's become increasingly social and content marketing is becoming increasingly important. These are changes we'll have to adapt to."

Bootstrapped for most of its inception, the company recently raised angel funding of just over $500,000, which it has used to grow its team. The company employs 12 people, and will soon grow to 24.

The company faces a large market that is quickly exploding. Comscore estimated the SEO market at $235 billion, and expects it to grow to $350 billion by 2015. The company recently relocated its headquarters to triple the size of its office. Through automating the steps of an SEO campaign, Analytics SEO holds an advantage over a crowded market with a solution that is not easily replicable, O'Toole explained. The company's advanced and extensive platform put it years ahead of the competition.

"Our position in this market is somewhat unique," O'Toole said. "The enterprise SEO software platform market space is very crowded, as is the SEO tools market for SMBs. We just need to continue to grow quickly and command a large space in this market." RH

Aquafadas

Company:	Aquafadas
URL:	www.aquafadas.com
CEO:	Claudia Zimmer
Sector:	Mobile
Country:	France
VC$:	Yes

Aquafadas empowers top tier publishers with the ability to publish their content to tablets and smartphones without using a single line of code. And it does so instantly. The LA Tribune, one of Aquafadas' customers, regularly creates a digital version of its print within 20 minutes of deadline completion, hitting tablets before the newspaper has even gone to press.

The company's platform features guided reading technology that automatically adopts the content to the unique features of each device, such as accommodating the scrolling and point features of the iPad.

"Using traditional products, most digital content is created by engineers who know the programming end but are less creative than designers," said Claudia Zimmer, CEO of Aquafadas. "We give the creative control back to the designers by allowing them to create all sorts of digital material without coding."

Founded in 2006 as a software editing company producing storytelling software for videographers and photographers, the company entered the space at its conception well ahead of the first smartphone. It was the launch of the iPod that first pushed the company to invest in digital content development.

"We had the idea early on that you could carry your comic book collection in your pocket just like you carry your music," Zimmer said. "We started developing an agnostic technology that is actually the foundation we are using today. When the iPhone came out, it was like Christmas for us because it was the first small screen. And now that the iPad is so popular, the markets are really moving. We see tremendous potential."

As the technology has expanded to include tablets, the company's focus has grown from comics to include children's books, textbooks, brochures, and newspapers. Since its beginning, Aquafadas has grown 3,500 percent. It earned $2.1 million in revenue in 2011, and expects to earn about $6 million in 2012. Its reach is global, with offices in Brazil, Asia, Northern Europe and the US.

Aquafadas serves traditional publishing integrators, connecting their customers to an established network of solution providers.

The company does not use a revenue-share model with its customers. It instead charges a one-time fee, regardless of the financial success of the digital publication.

While Aquafadas will naturally face competitors, its technology tenure gives it a considerable head start, Zimmer explained.

"We have a very strong foundation that we've developed since 2007, so we feel we have a good advantage," Zimmer said. "We have competitors in some areas, but none of them cover the complete gamut as we do. Aquafadas can take one format, spread it across all devices, and do it with a flexibility that our customers love."

Because of its wide adaptability, Aquafadas can serve a range of demographics, many of which face considerable growth prospects in the digital publishing field.

"Brazil alone, has 3,000 newspapers. The market is not overloaded," Zimmer said. "These are big opportunities. If one vertical slows, we can simply adapt it to others."

In 2011, Aquafadas was acquired by Kobo, one of the world's fastest e-reader services. Kobo's well established platform will serve as a new distribution channel for Aquafadas and further extend the company's reach. RH

ATG Media

Company:	ATG Media
URL:	www.atgmedia.com
CEO:	Anne Somers
Sector:	Marketing/Advertising/PR
Country:	United Kingdom
VC$:	Yes

ATG Media can make every auction block international, allowing even the smallest of auctions to access regional and international audiences, expanding their sales and fueling the heat of the bidding process.

Specializing in fine arts and antiques auctions, the company's platform enables live, interactive bidding in real-time through online communities, turning every auction into a live global marketplace. A typical auction with 50 people in a room might reach an audience of 700 to 900 people spread all over the world through ATG Media's platform.

"We're not eBay. A live auction still takes place, but the auctioneer can take bids from anywhere in the world," said Anne Somers, CEO of ATG Media. "We allow small, niche auctioneers who wouldn't be able to attract international bidding to connect to global marketing opportunities."

Auctioneers are charged an event fee, while buyers pay a small percentage in commission, depending on the worth of the item.

While some customers were initially concerned that online bids might lead to fewer bidders physically at the auction, that hasn't been the case, Somers said. The auctions still get the same size audience of bidders present at the auction, which the virtual audience complements to compel a higher bidding process. The company has bidders in over 104 countries, with over 5,000 new people registered to bid every month.

Sales on the platform are growing fast. The company processed sales of $6.86 million in 2008, $11.54 million in 2009, $26.52 million in 2010, $48.36 million in 2011, and plans $78 million this year. While 8.3 percent of a participating auction was sold online in 2008, today over 24 percent of its customers' sales come from directly through the Internet.

Though it provides a high tech connection to Internet audiences, the company has decades of experience in the traditional auction business. Founded in 1971 as the Antiques Trade Gazette, the company began as a newspaper publication covering the auctions industry. Passing on the dotcom boom in 1990s, the company realized it would take some time for the auctions industry to be ready for an online environment. In the early 2000s, the company began publishing some of its auction catalogs online until bandwidth technology had matured to enable an online marketplace. In 2006, it began its online auctioning platform with a single customer.

In 2007, ATG Media found itself on the auction block, as it parent company the Daily Mail put it up for sale. In the midst of the financial collapse, the company pulled off a management buyout in October of 2008, thanks to financial investment from Matrix Private Equity and HSBC.

"Lehman Brothers were going and went, but we managed to hold on," Somers remembered.

The company's market continues to evolve. Though it specializes in antiques and fine art, it has recently started to broaden its reach to include just about any type of auction. The company recently released the next generation of its software, GAP, in order to improve its scalability, making it easier for auctioneers to upload items simply with the click of an iPad.

ATG Media has managed profitability for many years. The company earned a turnover in 2010 of $11.2 million, nearly $14 million in 2011, and plans to earn $17 million in 2012.

And the company has only begun to scratch the surface of its market as it moves beyond antiques into other marketplaces. ATG Media extends an auction's audience, creating a more competitive bid process that complements a traditional audience. Well on its way to commanding the market, the company faces enormous potential. RH

Atosho

Company:	Atosho
URL:	www.atosho.com
CEO:	Anders Ibsen
Sector:	Internet & Services
Country:	Denmark
VC$:	Yes

Ecommerce sites depend on blogs and channel partners to draw interest and traffic, yet most people suffer from banner blindness and don't click on the ads. Potential shoppers can essentially browse away into thin air, disappearing in the distance between the blog or channel partner and the online store. Bloggers, on the other side of the equation, need revenue to buy the coffee they drink all day. Providing seamless integration to channel partners, Atosho helps both the blogger and online site by providing a direct point of sale right from the blog or web page, minimizing the risk of losing a customer to the browsing shuffle.

In return for the sale, the blog or channel partner gets a direct cut of the transaction, therefore earning both the advertiser and channel partner income for their effort. The company also works outside of the web, providing QR codes on printed advertisements or products that also include direct links to the point of sale. Though the company currently has no partnership with Google, it also offers its service to search engines, allowing a point of sale link directly from the search results.

"We are simply fulfilling the demand being created all the time through media channels," said Anders Haack Ibsen, founder of Atosho. "From the advertiser's perspective, we transform the ad budget directly into the number of goods sold. This is something that everyone is looking for."

Launched mere weeks ahead of the Red Herring Europe Top 100 competition, the company's solution is fresh on the market. Even so, on an ad revenue basis, the company outperforms traditional advertising by double digits, Ibsen said. And it does so with minimal expense.

"Our solution comes with no capacity expense at all," Ibsen said. "We can have these channel partners up and running within five minutes, earning revenue they weren't earning before. It's a very easy decision to make."

The company's small team of 27 people is mostly based in Copenhagen, Denmark, with offices in Norway, London, Paris, and Italy. Through a partner agreement with Demandware, it sells to customers all over the world. It plans to soon be in the US as well, having just signed an agreement with a major player of more than 100,000 employees, Ibsen said. The company shares other partnerships with the likes of CAAN, Trendy Living, eTasker, iForm, and Kelkoo.

The company expects to hit nearly $28.6 million by 2014, growing to $78 million by 2015. Atosho's priorities these next few months include building its product base and extending its market reach.

The company has had nearly $2 million in venture funding from a number of business executives and family offices across

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Europe . It is currently raising another round of $8 to 10 million to expand its platform and hire salespeople.

While early in the game, Ibsen hopes to make the company public over an acquisition. “Everything has its price, but at this point, we have no plans to sell,” Ibsen said. “We’d much rather IPO.”

Part of that reasoning is the hotness of the technology. Ibsen would like to see how far the company’s approach can reach.

“What makes some great inventions genius is the fact that they are so simple,” Ibsen said. “People see it and ask, ‘Why didn’t I think of this before?’ This is the reaction we get every time we present our solution.”

Avangate

Company:	Avangate Holding
URL:	www.avangate.com
CEO:	Carl Theobald
Sector:	Software
Country:	Netherlands
VC$:	Yes

Avangate provides software and SaaS companies an instant gateway into cloud commerce through any channel and any model, enabling them to launch their business in the cloud within minutes instead of months.

The company’s integrated solution includes an ecommerce platform, a partner order and revenue management system, and a global affiliate network - everything a company needs to launch an online business into the cloud without a hitch. Avangate features not only a single platform that allows any software and SaaS company to reach online shoppers, but also provides a channel market solution that allows vendors to reach new markets through a network of resellers. The system integrates with any channel through any model, and is the only service to do so, according to the company’s own claims.

“The last thing our customers should have to worry about is how to manage credit card transactions, support local currencies and regulations, coordinate various international payment methods, manage fraud and chargebacks, or provide 24x7 shopper support in multiple languages,” said Carl Theobald, CEO of Avangate. “We manage all the complexities so our customers can focus on their core businesses.”

As a fully multi-tenant cloud service, the platform requires no installation. It’s highly scalable architecture can handle fast growing large volumes. All internationalization has been coded into the platform already, offering a completely out of the box solution that handles local payment methods, local currency, local language, local tax regulations. As a self-service solution, it also doesn’t require many resources on Avangate’s end to implement, and subsequently, doesn’t require extensive IT resources on the client’s end either. “We like to say we’re the ‘Easy button’ for moving your business online,” Theobald added.

What’s more, Avangate promises its customers a risk-free model, charging only a small percentage of the sales made through the Avangate platform. It’s a no-brainer decision without expensive upfront costs for a market that has only begun to take off, Theobald stated.

“We’re experiencing a sea change in the Software Industry driven by the rise of cloud computing,” Theobald said.

Indeed, IDC industry analysts estimate that ESD and SaaS made up 34 percent of the applications market in 2010. By 2014, the penetration of ESD and SaaS is expected to reach over 72 percent, more than doubling in four years.

Growth in the space is reflected by the company’s traction. Founded in 2006, Avangate grew from nothing to now serve over 2,300 customers worldwide and handle over 2 million transactions per year. Clients include Tuxera, Singular Software and IObit. The company’s vast network includes 32,000 affiliates. Avangate has grown by over 80 percent annually since inception.

The company has 110 employees, with plans to grow at 20 percent per year. Avangate serves software customers worldwide, with offices in North America, UK, Germany and APAC. Originally bootstrapped, the company reached profitability in 2010. In 2011 it received a $5.5 million round from 3TS Capital Partners to boost its expansion into North America. Theopold plans to reach for an IPO by 2015, with the expectation that the company will be earning a billion dollars in gross sales.

“Selling software online is a $55 billion industry growing to $100 billion over the next 3 years,” Theobald said. “We are excited to be right at the heart of this rapidly expanding market, helping each of our clients accelerate their business, reach new markets, and grow revenue worldwide.”

The company competes against Digital River.

Avecto

Company:	Avecto
URL:	www.avecto.com
CEO:	Tony Bolland
Sector:	Computers/Software/Technology
Country:	United Kingdom
VC$:	No

Between 2011 and 2015, about 35 percent of enterprise desktops and laptops will move from having local administrator rights to using standard user rights, according to Gartner. Yet the least privilege principle, outlined by the US Department of Defense, demands that each subject within a system be granted the most restrictive set of privileges needed for the performance of an authorized task to minimize error, accidents and unauthorized use. Standard user rights tend to have high support costs and lead to a less productive, poorer user experience as the user doesn’t have enough authority to do her specified tasks.

Specializing in Windows privilege management, Avecto produces Privilege Guard, an automatized tool that enables organizations to effectively right-size privileges for their users. Each user is granted access limited to their specified tasks, enabling least privilege in terms of application at each end point. The company’s architecture integrates with Microsoft’s Active Directory Group Policy. As most of its clients are already invested heavily in Microsoft’s policy platform, they simply need to install Avecto’s Microsoft Management Console to have the system up and running. The business features both end point and subscription models. The company soon plans to implement Linux and Mac OS platforms as well.

“Companies that have taken away admin rights struggle with how to enable users to be effective on the road, or be able to install a home printer into a system, for example,” said Tony Bolland, CEO of Avecto. “We deliver a solution that customizes access while effectively delivering security, compliance and OpEx benefits.”

With a rich background in user compliance, Avecto was founded by Mark Austin and Paul Kenyon, the founders of AppSense along with Bolland. Austin single handedly built Avecto’s platform over the course of two months of coding. The company launched in September of 2008 and landed its first customer in December of the same year. Adoption of the technology proved fast, with the company going from under $500,000 in sales to over $6 million in its first three financial periods. It achieved profitability in its first year, and has been profitable ever since, operating at a 50 percent EBIDTA ratio.

The company currently reaches over 2 million endpoint devices, but in a market with hundreds of millions of endpoints to be addressed, Bolland admits it has only scratched the surface of its potential. Plus, there are no established players in this market, Bolland said. Yet despite being a relatively small startup, Avecto manages to serve a number of heavy handed players, including the Bank of America, with 454,000 desktops, HSBC with 372,000 desktops, and McAfee with 5,000 desktops.

"We've proven there's a massive market," Bolland said. "If the big guys can adopt the platform of an emerging company like ours, with an improved sales force and channel model, we can massively accelerate sales."

The company is headquartered in the UK where it bases 80 percent of its operations, and the other 20 percent in Andover, Massachusetts, near Boston. However, over 50 percent of its sales come from North America, where Bolland expects massive acceleration over the next 12 months. It anticipates 100 percent growth over the next three years.

And the company has done it all with no investment. Bolland estimates that with a widened product offering, the business could grow to $100 million in revenue over the next few years.

"We've got the right team of individuals with the right talent, attitude and discipline, backed by the right processes and management structure," olland said. "Our customer adoption and feedback prove we have an optimized position in this market."

AwoX

Company:	AwoX
URL:	www.awox.com
CEO:	Alain Molinie
Sector:	Hardware
Country:	France
VC$:	Yes

In the fragmented age of multiple devices and platforms, AwoX delivers a solution that can stream across them all. The company's products enable the streaming of Internet music from phone to TV, as well video from tablet to connected TV, and interconnects DLNA Certified smartphones, tablets, PCs and laptops, no matter the brand or operating system. By working across all devices and platforms, AwoX effectively enables DLNA reach, linking mobile, PC, TV, operating networks, retail networks and content service provider devices for complete universality.

"Our business from the beginning has been to be a one-stop shop for the DLNA technology, and today we are the leader in that space," said Alain Molinie, President and CEO of AwoX.

The company serves more than 30 major customers, adding about five per year. It serves large players, including silicon conductor manufacturers, TV makers, PC or IT equipment providers, and network equipment manufacturers, which uses the company's technologies in their own devices. The company has had a 50 percent growth rate for the last three years.

"Last year, there were over 500 million shipped DLNA Certified devices. We expect that number to hit two billion in the next 18 months," Molinie said. "The growth of this market is huge. Since we are a leader in this segment, I think we can do better than the growth of the market."

The company's market is mostly focused on Asia, the biggest producer of electronic devices. It is also pursuing expansion in the US, having recently opened an office in Palo Alto, Calif.

AwoX has sold over 50 million licenses, and expects that number to reach 200 million by 2014. It has manufactured over 250,000 wireless audio accessories. In a single quarter this year, the company sold more than 10 million licenses.

Molinie declined to state revenue figures, but noted the company has been profitable since the fourth quarter of 2010. It has had an undisclosed investment from Innovacom, BNP Paribas, CM-CIC Capital Privé, SORIDEC, and DFJ Esprit Secondaries.

AwoX's success is based on its long term involvement and experience within DLNA. Founded in 2003, the company began ahead of the technology it supports. While it was not the first to enter the DNLA connectivity space as a pure player, it was the first to successfully ride out the evolution of the technology it connects with careful investment strategy, Molinie explained.

"We made the right choice in the very beginning, and it looks like our investment strategy was spot on," Molinie said. "We can be proud to be the only single stop shop in this segment tackling both technology components and white-label products."

With the rise of DLNA Premium Video, and related technologies (DTCP IP, RUI, RVU, HbbTV), AwoX is ideally positioned to take advantage of the explosion of connected TVs, grown from 3 percent a few years ago to 40 to 50 percent today, and expected to reach close to 100 percent within the next three years. Beyond TV, the connectivity is reaching every mobile device, and every set-top-box.

"AwoX technologies are at the heart of the multiscreen revolution, and they will pave the way of tomorrow's advertisement," Molinie said. "We are very enthusiastic because we address several emerging markets with double digit growth and our business is not limited to a single platform." RH

Bipper

Company:	Bipper
URL:	www.bipper.com
CEO:	Silje Vallestad
Sector:	Mobile
Country:	Norway
VC$:	Yes

Big users of technology, kinds increasingly own cell phones, and a growing percentage use smartphones. In Norway, for example, 30 to 40 percent of children have cell phones, while mobile penetration for those over the age of 10 is close to 100 percent. The world of technology creates a new world of challenges for parents who want to monitor who their children are talking to, as well as what they are doing on the mobile Internet.

Bipper provides a tool that does just that. BipperKids allows parents to set limits on who can call and be called, what hours the phone may be used, what kind of apps are allowed on the phone and what they're allowed to do. The tool enables parents to monitor a child's use of mobile Internet. The platform also features an SOS feature that sends an alarm and alerts parents or other relatives for critical emergencies.

"You use to know who your child was calling and talking to on a land line, but the child is in their own world on the mobile phone," said Silje Vallestad, founder and CEO of Bipper. "We provide parents the tools to be parents in the digital world, to see exactly what their children are doing on their phones, who they're talking to, and to regulate their usage."

BipperKids' SOS feature soon became popular with parents, as mothers would often take their children's phones for protection while jogging or for a night on the town. This led to the development of bSafe, an alert feature for adults that provide SOS messages, alarms, and a GPS ability to track the user along their route for added safety. The feature will soon include instant videography to record evidence or scare off would-be attackers. Released just before Christmas of 2011, that platform achieved 10 percent market penetration in its first six weeks on the market.

A mother of three children, Vallestad was first inspired to start the company when a friend of her six year old daughter brought a cellphone to a play visit. She realized children were becoming part of the mobile revolution and that parents needed help in the evolving landscape. Vallestad previously worked on several idealistic grassroot projects that brought her in contact with the likes of the Dalai Lama, Hillary Clinton, Queen Noor of Jordan and Anita Roddick. She founded Bipper in 2007 in part to create a better world.

The company developed its IP through a team of eight designers. Word about its technology spread, and the company had already signed a main operator in Norway before it even launched into Beta in the summer of 2009. The company came out of Beta in October of 2010, signing a Bulgaria operator. So far, the company has worked directly through operators, which then provide the service to their customers, but recently launched an app that will allow it to market the service directly to users.

As Vallestad explained, Bipper's market is "pretty much every child with a phone, which will soon be nearly every child." The company's demographic are primarily six to 15 year olds.

The company has had about $4 million in investment, and is currently raising another round of $1 to 2 million.

"Right now we are number one in terms of technology and users, but to stay number one we'll need to grow and scale just to maintain our position," Vallestad said. "We're well poised, but this market won't be given to us for free. It's going to be a race, and it's all about timing."

BoneSupport

Company:	BoneSupport
URL:	www.bonesupport.com
CEO:	Lloyd Diamond
Sector:	Biosciences/Biomedical
Country:	Sweden
VC$:	Yes

BoneSupport makes synthetic bone a viable reality, revolutionizing the treatment of broken bones. The company produces Cerament, an injectable, synthetic bone scaffold that actually remodels into bone.

Until BoneSupport, most synthetic bone scaffolds were either too hard, or too soft, and would either not completely dissolve into a patient's system as it healed or would dissolve too quickly, leaving gaps in the bone as a result. Cerament includes calcium sulphate and hydroxyapatite combined with liquid iohexol to create a highly injectable, osteoconductive and bioactive material that dissolves as new bone grows in its place. The substance is injectable through a small needle, eliminating the need for invasive surgery.

The company faces three opportunities in the bone graft market. These include extremity trauma to repair broken bones, instrument augmentation to serve as better filler when attaching screws to bones, and Osteomyelitis, or bone infection. Not yet ready for market, its bone infection solution combines antibiotics with the Cerament in order to prevent and control infections.

"Synthetic bone scaffolds have been around for years, but until now didn't really morph well into bone," said Lloyd Diamond, CEO of BoneSupport. "Ours does, and is the next evolutionary step in healing a patient's bone as anatomically correct as possible. What is revolutionary, however, is the way our product will allow physicians to prevent and treat infection. This emerging market is the biggest challenge of orthopedic surgery"

The company is the brainchild of Dr. Lars Lidgren, who has been studying synthetic bone substitutes for over 30 years. Through government grant funded research at the University of Lund, he discovered a substance that could fully meet the challenges of bone synthesis. Together with co-founder Dr. Fredrik Lindberg, Diamond launched BoneSupport in 2000, and spent the next 12 years developing and clinically testing Cerament.

Today, the company has CE mark approval for both its bone filler remedy and spine product. The bone filler solution has FDA approval. Its antibiotic remedy is expected to have CE Mark approval this October, with sales expected in the first quarter of 2013. The company could get FDA approval for the antibiotics in by the end of the year or early 2014 if clinical trials are required. The company is already in its commercialization phase for its bone filler product in the US and the bone filler product and spine remedy in Europe for the last 18 months to two years.

BoneSupport treated its first customer in 2010. Ceramant has had over 35 pre-clinical studies, and 10 clinical and animal studies. So far, Ceramant has been used in over 4,000 human clinical procedures since it has been available for use.

With nearly $29 million in investment, the company is well funded through its break even point, expected in 2013. Investors include Healthcap, Industrifonden and Lundbeckfond Ventures.

But more important is what BoneSupport's science can deliver to the patients it heals, Diamond said. He recalled a man who suffered a broken tibia in a car accident. The bone healed, but became infected. For 10 years, the man lived with a literal hole in his shin that oozed pus, prevented him from working and left him seriously debilitated. Every physician he talked to recommended amputation, all from a simple infection from a broken bone. Luckily, the man was able to be connected to a clinical trial of Cerament's antibiotic remedy, which healed his leg by applying antibiotics to the right place. Such treatment may soon be widely available, thanks to BoneSupport. RH

Borro

Company:	Borro
URL:	www.borro.com
CEO:	Paul Aitken
Sector:	Finance/Banking/Brokerage
Country:	United Kingdom
VC$:	Yes

Brother, can I pawn a luxury automobile? Borro makes high value loans backed by luxurious collateral. The company can provide loans anywhere from $1,000 to $1 million within hours of securing the luxury items. Its customers front fine art, wine, antiques, high end cars and other valuables, which are then appraised by a free and insured courier service. For items too large to ship, the courier can pay a home visit.

The idea for Borro came to founder and CEO Paul Aitken in his sleep. After watching the reality TV series Pawn Stars the night before, Aitken woke with the idea to start a business to disrupt the pawn industry. Carefully looking at the market, Aitken realized he didn't need to just disrupt the pawn shop, but actually create an entire new category in lending itself. "Whereas most startup businesses make existing marketplaces more efficient,

TOP 100: EUROPE

Borro had to go to the next level to create a whole new market on its own, a new way of approaching liquidity," Aitken said.

He founded the company in 2008 and began making loans within six months. Adoption at first was slow, but the size of the loans Borro was writing meant that not many were needed to be made to build a valuable business. Taking time to launch the platform also allowed the company to enhance its offering, which it continues to do to this day. It added fine wines only a few months ago, and continues to add functionality to better manage risk and default rates, improve the experience for customers and provide more tools for users to better understand what their assets are worth.

Last year, the company made $40 million in loans, and continues to grow at 2.5 x per year. In the next year, Aitken believes the company can boost that growth to 3x as it continues to expand its market. The company serves small business owners, traders, stock brokers, essentially "people who are slightly higher risk takers than average," Aitken said.

Based in England, the company began serving the UK market, and in January of 2012 branched out to the US, which proved to be a great market that didn't take long to get up and running, Aitken said. While the US represents about 20 percent of its current market, Aitken expects that percentage to grow to 60 percent within the next year. "There's a very different attitude towards liquidity in the US that makes it easier to build trust," he said.

The company currently earns revenues in the $10 to 20 million range. In the next three years, Aitken expects the company to grow to $100 million. He sees a billion dollar opportunity for the company in the next several years.

And once a billion dollars in revenue is attained, things can get really interesting, Aitken allowed. He anticipates the compAugmentum Capital, Eden Ventures, and Rockridge any releasing more products along the lines of liquidity to further boost its offering and revenue potential.

The company has had $40 million in venture investment, including a recent round of $26 million. Investors include Canaan Partners, Ribbit Capital, Augmentum Capital, Eden Ventures, and Rockridge.

Providing a platform that allows such fast liquidity is simpler than it looks, Aitken said. "It would take two to three years and very deep resources to be able to copy what we've already built, so we don't anticipate any left field threats," Aitken said.

Shaky economic times have only further proven the sustainability of the company's business model. By creating a new category in lending, Borro sits in a sweet spot as the only luxury pawn shop on the Internet. RH

Brandwatch

Company:	Brandwatch
URL:	www.brandwatch.com
CEO:	Giles Palmer
Sector:	SaaS
Country:	United Kingdom
VC$:	Yes

Brandwatch helps brands keep an eye on their social media. The company's proprietary social algorithms go deeply into social media sites to pull out the most relevant information about a company, filter out the chatter and SPAM, and then synthesize the data so that brands know immediately how the social world reacts to their product in real time, all the time. It uses its own data and delivers real answers that go beyond best practice advice.

"The Internet is the biggest focus group in the world, and we allow brands to understand exactly what's being said about them in real time in any language on any subject," said Giles Palmer, CEO of Brandwatch. "Brands need to engage with their audiences on the web, amplify the positive, deal with the negative, and have a collaborative approach to their social media marketing activity. We allow them to do just that."

The company began as another entity entirely that was hired in 2006 by the UK government to create algorithms that enabled better local services on public security pages. Palmer remembers witnessing the social media revolution in the early days of MySpace, and thought it would be great to adjust that same technology to allow brands to see what was happening on the web. A team of four engineers spent a year and a half building the search engine, and another nine months designing its semantic component. Eight months later, the company was test marketing a product that crawled 250,000 sites.

Today, Brandwatch crawls over 50 million social media websites. It serves over 500 customers, adding on average another customer every single day. Eighty-five percent recurring, revenue has grown at 10 percent per month for the last three years, earning the company over $520,000 per month.

That's a steady stream of cash for a company that was hanging by a thread when it first applied for seed funding. Palmer remembers the company had only a few months of operating cash left before landing its first seed deal of $650,000. The company had an idea for a product, but no actual product, and barely enough cash to pay its employees.

"The atmosphere was a lot like Henry V," Palmer said. "We were determined to do this, and nobody was going to get in our way. We felt like a band of brothers charging for the goal. When you're in a raw startup, there is no plan B. There is plan A, and that's it."

Since then, the company has managed to raise $9.1 million, which it has used to fuel its path to market. Investors include Brandwatch and Gorkana Group. Most of the company's customers are focused on Europe, but it plans to internationally expand to Brazil and Singapore in the coming year.

With every brand a potential customer, its market is enormous. Palmer admits the social media space is crowded, but he contends most of social managers offer little more than noisy advice based on little data. He estimates there only to be a half dozen companies even approaching Brandwatch's technology, so the market is ready.

"It can seem that everyone and his wife have a social media product, but only a handful even come close to doing a good job," Palmer said. "We have solid architecture that's taken years to develop, and we imagine we'll be able to slice up a nice segment of this rapidly growing market." RH

Brevo

Company: Brevo
URL: www.brevo.se
CEO: Hakan Nyden
Sector: Internet & Services
Country: Sweden
VC$: No

Brevo aims to digitize the physical mailbox, one annoying bill or letter at a time. The company provides a secure digital mailbox service to everyone over the age of 15 in Sweden who signs up. It enters into agreements with large companies sending large mail volumes to their customers. Brevo has also entered into partnership agreements with the major printshops in Sweden to quickly enable both large and small mailers to start using the Brevo service. It automatically separates out the Brevo users for digital distribution. Brevo provides bank level security and allows safe, structured interaction between senders and users at anytime from anywhere. The users can archive and organize their documents in an easy to understand application as well as easily pay their bills.

Companies can reduce their postage costs by as much as 75 to 80 percent for every one of their customers signed up through Brevo. In the first three months of signing on with Brevo , the average company sees around 10 percent of its customer base using the service. Plus, Brevo provides automatic links into the company's client profile, so users don't need to know a dozen passwords to access their accounts.

"We are not only providing users a way to have physical mail converted into a digital format and viewed online, but we gather it in one place and then link them into the company's sites," said Håkan Nydén, CEO of Brevo. "We will become a hub where you can reach all your companies. You can integrate with your banks and pay your bills. Brevo is very much about creating convenience for the user."

The company is a spin-off of Metaforce, an output management software company. About three to four years ago, the company learned through several workshops with insurance companies that one of the industry's biggest needs was to digitize their clients' mail streams in order to cut costs and improve customer dialogue. The company then developed the IP from its own resources and launched Brevo as a separate entity. In 2011, it launched its first trial customer, which successfully used the Brevo service for eight months with minimal assistance from Brevo before it added its second customer at the end of 2011, and has since grown to 10 major customers.

The company has had no VC funding. Not looking for an exit. Instead, it instead focuses on growth, Nydén said.

Considering that the Swedish physical postal market is worth approximately $420,000,000 to $560,000,000, Nydén estimates that the market potential for secure digital mailbox services in Sweden is about $100,000,000. How much of this market potential that Brevo will capture depends on how many customers and users it signs, but the goal is to capture a large share of this market.

And Sweden is just the beginning. Nydén views the Swedish market as a test case for the rest of the world. He sees considerable market potential through the rest of Europe, the US, and eventually even Asia, pretty much anywhere companies seek to cut down on their mailing costs and get into the mobile world. Because the company's solution is automatic and in the cloud, it can easily be adapted to other countries, Nydén explained. He estimated the same solution could be applied to a new country in about six months.

"You don't need many resources to run this business and transfer it to other regions," Nydén said. "Most of the nuts and bolts are automatic." RH

Broadpeak

Company: Broadpeak
URL: www.broadpeak.tv
CEO: Jacques Le Mancq
Sector: Telecommunications
Country: France
VC$: No

For Broadpeak, it's all about the size of the cache. Founded in 2010, the company designs and manufactures video delivery components for content providers, network services, cable companies and those providing Over the Top Content (OTT), or the delivery of broadband content without involving an actual Internet service provider.

What the company is most excited about, however, is nanoCDN, a groundbreaking technology it only released in September. While most networks deploy individual caches of content, requiring multiple caches to be delivered to meet the entire demand of the network, Broadpeak believes that the home network is the ultimate cache. NanoCDN works to leverage home networks to reduce video infrastructure investments for operators. It manages video consumption peaks not supported by network infrastructure so that cable operators can deliver live OTT video simultaneously to millions of viewers using only a few megabits per second from the operator network.

If a million subscribers watch the same football game online, a company using traditional means must send a million unique adaptations of that content. Broadpeak, however, needs to send the content only once, as it resides in the home network and is then distributed to consumers via set-top boxes, which can then link to any device in the home. The company's technology literally provides a million times greater efficiency over the industry standard with savings in the hundreds of millions of dollars.

"As a new company, we realized that for large SMOs and telecos to forget what they have a move to a Broadpeak product, we couldn't afford to offer only 20 percent more efficiency," said Jacques Le Mancq, CEO of Broadpeak. "Ten thousand to a million times more efficient sounds much more convincing. For our customers, it's a no brainer."

It's a technology that has been two years in the making. Quite profitable, Broadpeak serves a dozen customers, including Bouygues Telecom, Orange, Telenor Norway, and Andorra . Yet it has only been since the release of nanoCDN that the company has offered something truly disruptive. Though the product was only launched last Fall, it managed to double the company's revenue for 2012. In the next three to five years, Le Mancq expects the company to be earning $75 million to $130 million.

Broadpeak began as a spin-off of Technicolor Connect Division. The challenge was serving a handful of customers to maintain profitability while it worked on its real secret sauce, nanoCDN, which it debuted last September at IBC (International Broadcasting Convention), a premier event for the entertainment and news content distribution industry.

The real value in nanoCDN is it allows telecos to take back control of their network, Le Mancq explained. It provides them unprecedented efficiency while being able to meet peak demand without large investment. "We say you cannot afford a large infrastructure investment into routers, streamers or data centers," Le Mancq said. "Why not instead just use the network of every home?"

Though the company competes against Cisco, Juniper and Alcatel-Lucent with standard video delivery products, it faces no competition when it comes to nanoCDN. The technology involves several patents and is quite complex, putting the company years ahead of the industry. Le Mancq expects the company faces a market of $500 million. It has no outside financing.

The company's main focus is Europe, Latin America, and Asia Pacific. It sells through partners into Latin America, the Middle East and Africa, and recently began serving North America through a reseller. Based in Rennes, France, the company recently opened an office in Singapore to better serve the Asian market. RH

Cerenis Therapeutics

Company: Cerenis Therapeutics
URL: www.cerenis.com
CEO: Jean-Louis Dasseux
Sector: Life Sciences
Country: France
VC$: Yes

Demonstrated to be highly effective against cardiovascular disease, HDL therapies represent the next frontier in the treatment of heart disease. Known as good cholesterol, HDL can rapidly regress atherosclerotic plaque and vastly reduce cardiovascular deaths.

Cerenis Therapeutics develops novel HDL therapies, including what could potentially be the first to market and best in class recombinant HDL (CER-001). The company hopes the therapy promotes plaque regression to reduce plaque rupture, the risk of heart attack, stroke or other cardiovascular issues.

HDL is currently gathered through a complicated 17 step process involving proteins grown on ecoli bacteria that then have to be removed of toxins as they are fed to the patient intravenously. This lowers the yield through an expensive process. Cerenis develops HDL by growing it directly in a cell, and removing the substance through secretion. Under Cerenis's model, those 17 steps are narrowed down to three. What results is a purer product, free of toxins through a process that is economically efficient.

"We are probably producing the purest CER-001 ever produced," said Dr. Jean-Louis Dasseux, co-founder and CEO of Cerenis. "We optimize the lipid composition as close as possible to the natural HDL composition. We end up with a much more potent HDL lipid that's easier to produce."

Prior to Cerenis, Dasseux served as Vice President of Chemistry and Technology at Esperion Therapeutics, as well as Director of Research for the French pharmaceutical company Fournier, where he established and managed its research center in Heidelberg, Germany.

The company just recently completed phase one clinical trials. The company is preparing for phase two, to be later followed by phase three, which it expects completed in the next couple of years.

"We observed that the product could be the most important HDL therapy ever developed, as well as the safest," Dasseux said.

If all goes well, the company expects to have a product to treat post acute coronary syndrome patients by 2017, and another for rare disease indication of Familial Hypercholesterolemia by 2015. It is focusing its market on Europe, the US and Canada, but could eventually expand into Asia with the right partnerships.

The company has had about $150 million in venture investment from a number of investors, including Sofinova, AltaPartners, and TVM Capital. Though he admits it's a sizable amount of investment, Da sseux insists there is room for more, as the company easily faces a billion dollar opportunity. The company is considering raising more money, or getting additional funding through an IPO.

The company expects revenue from its product targeting rare diseases by 2015 in the hundreds of millions of dollars. Its rare disease treatment should bring in profits by 2017 of a billion dollars.

"I have been researching in this field for more than 25 years, and we've had a lot of trial and error," Dasseux said. "Now we are in a situation where we have a good product that has the potential to be best in its class. I am quite positively optimistic about what we can do for the problem of heart disease." RH

CloudMe

Company: CloudMe
URL: www.cloudme.com
CEO: Mathias Ericsson
Sector: Internet & Services
Country: Sweden
VC$: Yes

When Apple, Google or Microsoft push users into the cloud, they have an agenda- their own. They place users into their own respective ecosystems, effectively creating a lock-in of device user identity that fails to transfer across devices. As a US-based company, Dropbox also presents limitations to the individual user seeking a cloud solution, as European users in Bring Your Own Device to Work environments can't legally use the service in conjunction with work because European law requires the data to be handled by a European company.

CloudMe, on the other hand, provides a personal cloud that's compliant for the European professional. The company provides a ubiquitous cloud-based storage system that works across all devices. Based in Sweden, the company complies with EU law so it can work in professional European environments. It's also designed specifically with a media focus, allowing for photos, videos, music and other media to be instantly segued into a user's system and downloaded to any device. The platform utilizes a blue folder system that gives users customized control to decide whether to automatically upload or download and to what device through a simple drag and drop interface.

By offering a European model that is media focused yet uniquely customizable at the user level, the company stands well poised to disrupt the personal cloud market. Its advantage lies in simplifying the transition to "the cloudization of everything," providing an easy link from the cloud to any device, explained Mathias Ericsson, CloudMe's CEO. "We take away the barriers you find with these big cloud providers. We believe that if you want a personal cloud, its up to you to decide where you want to go with it."

The company is primarily owned by Xcerion, the cloud based services provider that sold the iCloud to Apple. Following that transaction, the company had a number of projects in its toolbox, of which CloudMe proved to be the strongest. Using 10 years of research that had $10 to 50 million of R&D investment, Xcerion only recently launched CloudMe as a standalone company in 2012. The company recently released a reference program that it expects to greatly contribute to its momentum. Using a freemium model, the company currently has over 575,000 users. The trick, Ericsson admits, "is getting users to pay for it." The company currently has a 3 percent conversion rate to paying customers.

At its current trajectory of paying customer growth, Ericsson expects the company to reach profitability in the next several months. Assuming an average of $50 to 75 per paying customer per year, Ericsson envisions a $75 million company with about 10 to 15,000 paying ustomers, though he admits the company has its work cut out for itself.

As the company manages its own backend, providing not only the platform but the actual storage behind it, its solution has a unique approach that's widely scalable, Ericsson explained. Adding new users only gets cheaper as its base widens. Though it faces competition from such giants as Google, Amazon and Microsoft, Ericsson contends there is plenty of room for smaller players as well. Considering that CloudMe is one of the few to offer both the front and the back end, the company is ideally suited to fill a considerable space in that market. Holding five to six US patents, its technology will prove difficult to replicate.

CloudMe has had $15 million in investment. The company serves 170 countries around the world.

"Technologically, we are ahead of the game," Ericsson said. "Most services offer the cloud only through their own ecosystem. We are ubiquitous so people can truly use the cloud as it was intended." RH

ClusterSeven

Company:	ClusterSeven
URL:	www.clusterseven.com
CEO:	Ralph Baxter
Sector:	Software
Country:	United Kingdom
VC$:	Yes

Despite investing millions of dollars into their finance systems, most businesses still rely on spreadsheets as the glue in their financial processes. Hitting the Download to Excel tab is too tempting for most employees handling data, flushing any attention to data quality down the spreadsheet hatch. As a Gartner analyst noted in 2005: "Come the apocalypse two things will survive, the spreadsheet and the cockroach – they deserve each other."

ClusterSeven optimizes spreadsheet management, working as a central repository that checks each change against the original, documenting the evolution of each spreadsheet step by step so that no numbers get lost in the cracks. The software tracks what has been done in a spreadsheet against the original document so that everyone in the accounting department has understanding and confidence in the process that's been applied.

"It's strange, but in a world where content management has moved from the old fashioned world of traditional documents to the new world of social media, someone along the line forgot all about the spreadsheet," said Ralph Baxter, CEO of ClusterSeven. "Even though it's an old form of content, it actually runs the vast majority of the world's financial services. We provide assurances that the numbers are correct as they move from spreadsheet to spreadsheet."

Founded in 2003, the company developed its IP over the course of 18 months, forming its proof of concept with its first signed customer in late 2004. Averaging a major release of the product every year, ClusterSeven is now in its seventh generation of product. With its solution installed behind clients' firewall on an annual license, 30 percent of the company's revenues are recurring.

The company serves 40 customers, mostly large to medium size players in financial services, insurance, and investment sectors. Growing 30 percent per year, ClusterSeven serves markets all over the globe, from Australia and the Far East, to South Africa, Europe, North and South America. Its hottest markets are the audit and regulatory industries, as these sectors immediately recognize the importance of data integrity the company provides, Baxter said.

"Our competition is more psychological than technological," Baxter said. "We're a much richer solution in terms of being able to provide the detailed movie version of everything that's ever happened in their spreadsheets, and that's quite a powerful capability that takes some companies a while to appreciate. The audit and regulatory agencies recognize the value immediately, and that's why they're our fastest growing market."

ClusterSeven earned several million dollars in 2011, achieving its first operating profit. After reaching its first after tax profit in 2009, the company today earns a profitability ratio of 10 percent. It took a $3.8 million investment round in 2006 from Spark. While the company will naturally need to look for an exit to give back to investors, its immediate priority is growth and convincing the business community that spreadsheets aren't going anywhere, Baxter said. Effective management is the only solution.

"The most important thing for us is to help people to see how the world of spreadsheet and systems can be bridged," Baxter said. "People love their spreadsheets, and don't want to give them up, yet they don't see a direct relationship between their spreadsheets and the systems the IT guys run. If we can establish that relationship, it opens the door to many interesting conversations." RH

ColorChip

Company:	ColorChip
URL:	www.color-chip.com
CEO:	Koby Segal
Sector:	Semiconductor
Country:	Israel
VC$:	Yes

When ColorChip's CEO Koby Segal attends a conference to promote his company's approach to optical splitters and wafers, he doesn't need to lug around crates of inventory. The splitters themselves are just centimeter long pieces of glass he can carry in his pocket. A single wafer is the size of a drink coaster. But while Colorchip's glass technology is light and easy to carry, it's far from simple. Through the company's IP that creates optical wave lines inside of glass to produce both the wafer and the splitter, it achieves a speed of four times faster than similar size solutions, at eight times the density of current industry speed solutions, achieving a capacity and agility never before possible.

"What's unique about our product is the combination of very small form factor and lower power that delivers high density and speed," Segal said.

The company's biggest market is China, the largest market in the world when it comes to fiber-to-the-home. Other areas like India and the rest of Asia are also prime markets, places where the foundation of new Internet fiber are just beginning to be established.

"It's a question of maturity of infrastructure," Segal said. "As the western countries already have the infrastructure to their data, they are lagging in implementing fiber networks because they already have the road built."

Yet the upcoming surge in data demand is sure to change that. Today's chip technology is poised to overreach Moore's Law, with data needs outgrowing the evolution of standard technology by 15 times in the next 13 years, Segal explained. Many US telecom enterprises will end up sourcing the technology through a Chinese company from ColorChip, Segal predicted.

"All of this puts huge pressure on the amount of data being processed and transferred," Segal said. "We provide an ideal solution that gives us considerable opportunities in this new market. Through many of these companies, we will see the demand of the entire globe."

Last year was ColorChip's first year in sales, earning the company revenue in the single digit millions of dollars. In the first quarter of 2012, the company had already achieved 65 to 70 percent of the entire year before, and expects to quadruple its revenue by the end of the year. Launched with 40 people, ColorChip now employs 100. The company produces millions of splitters and thousands of receivers per year.

The company raised a $20 million round in September of 2011 to help boost its production and increase its market and services. Its investors include Bessemer Venture Partners, Motorola Ventures, European Venture Partners, the Eurofund, Polytechnos and Walden.

Segal is a veteran of successful startups, having served as COO for Voltair LTD where he helped scale the company to become a leading provider of InfiniBand and Ethernet connectivity solutions before it was successfully acquired by Mellanox Technologies. Prior to Voltair, Segal was Vice President of Research and Development and Customer Support at Lucent Technologies Inc. and then Avaya (after its spin-off from Lucent Technologies, Inc.).

Segal eventually wants to take this company public, though his focus at the moment is growth. He sees ColorChip as an opportunity in the hundreds of millions of dollars.

"The data explosion will drive our business regardless of economic outlook," Segal said. "Even if the world faces a new financial crisis, communication and connection are like food. At the end of the day, people have to have it. We consider our services to be essential." RH

Compario

Company: Compario
URL: www.compario.com
CEO: Pascal Podvin
Sector: Computers/Software/Technology
Country: France
VC$: Yes

Compario specializes in searchandizing, combining marketing and search so ecommerce sites can better personalize the shopping experience of their customers. The success of the company's strategy can be found in the math. The average Compario customer sees a 30 percent conversion rate boost, thanks to the company's platform.

Its technology provides personalized navigation and enhanced search features that recognize each returning customer to better deliver products aligned with their interests. It also enables cross-channel merchandising, providing marketers the ability to manage their selling networks across all digital platforms and devices from one console for a better economy of scale. Finally, it provides customers content management capabilities and cross-channel merchandising. And it does it all without the customer having to change their website, as its solutions easily plug into the customer's already existing infrastructure.

"We are entering an era where consumers demand personalization," said Pascal Podvin, CEO of Compario. "Consumers want the same individual experience purchasing online that they get returning to a store. They want to feel like somebody and have a recognized bond with the digital channel. We bridge the gap between the digital channel and the consumer by providing unique personalization."

In addition to the 30 percent conversion rate boost, Compario's customers see an average basket value improvement of 10 to 20 percent. It has customers that have improved productivity by more than 100 to 300 percent. The annual value Compario creates for customers is in the range of $40 to 65 million, Podvin said.

"For merchants to make more money, they need to improve their customers' experience, improve conversions, create customer loyalty and improve customer lifetime value," Podvin said. "That's where we're focusing, and our results are quite impressive."

Serving over 100 companies in more than 15 countries, the company is rapidly growing. Deloitte ranked the company 49th among Europe's fastest growing companies in 2010, and the company continues to see triple digit annual growth rates. Compario focuses on retail, but also serves the financial services, teleco, manufacturing and tourism sectors as well.

The company's largest marketing base is in Europe, with 20 percent of its clients coming from other regions. It also has a considerable base in Brazil.

Though currently below the $1.5 million range, the company is well on the path to earn $65 million in revenue in the next few years, Podvin said. It had been profitable until 2009, when it decided to reinvest in its growth. Podvin expects the business to reach profitability again in the next two to three years. The company has had an undisclosed minority stake of venture investment.

As the company faces a market worth billions of dollars, there's plenty of room to grow. The right size could well lead to an acquisition, Podvin allowed.

"Oracle and IBM have opened their wallets and spent billions of dollars to acquire ecommerce technologies," Podvin said. "Inevitably, the market will consolidate. Ecommerce businesses will want a common place to go to generate these great customer experiences. Most likely, we'll be that next generation." RH

Coyote

Company: Coyote System
URL: www.moncoyote.com
CEO: Fabien Pierlot
Sector: Other
Country: France
VC$: Yes

Coyote uses the eyes and ears of a community of 1.5 million drivers to spot not only speed cameras, but accidents, traffic jams, construction and bad weather conditions.

The company is the brainchild of co-founder Fabien Pierlot, who loves fast cars but hates traffic tickets. In the late '90s, he developed a speed camera notification system for truck drivers, using a 1-800 number for members to warn each other about speed traps. In 2006, Pierlot collaborated with Jean Marc van Laethem to evolve the service into a GPS-connected device. The two bootstrapped Coyote and produced a device for a little over $1,000, targeted for the luxury car market. The device has since been transformed to a more cost efficient model for about $260 plus a $190 per year subscription service. A smartphone app is available for about $65, and doesn't require a subscription.

The updates on the Coyote system are user generated. As a new user encounters a road condition, he or she updates it using simple push buttons on their Coyote device or smartphone. The system serves as a large database of these warnings, as well as other road information. As a Coyote GPS system nears a location, users are alerted to changes in speed limit, traffic conditions, safety conditions of road surfaces, community presence and quality, and real time speeds.

"The majority of our users are not crazy drivers who do 110 mph, but people who don't want a ticket driving 5 mph over the limit," said Serge Bussat, Executive Vice-President of Coyote. "It's really about having the car connected to a community. Each driver benefits from the community of information that's provided by other drivers."

The company's services are popular and have leveraged considerable traction. Starting with zero users six years ago, it reached 20,000 users within two years, and now has a community of more 1.5 million users, including 1 million who use the company's device and another 500,000 who access the service through a smartphone. In fact, the company's app is the number one ranking application in France. Located primarily in Europe, the company serves users in France, Spain, Italy, the UK and the Netherlands.

"We've had very exponential growth," Bussat said. "In any traffic jam today in Spain, France or Italy, there's a 20 percent chance the car sitting next to you is part of the Coyote community."

The company earned nearly $100 million in revenue in 2011 with a 60 percent growth rate over the year before. The company has been profitable since day one. It received an undisclosed investment from 21st Century Partners two years ago.

Today, the company employs over 85 people, including its original founder Pierlot, who makes it a point to test drive all new changes to the technology. More than half the company's staff are engineers.

Coyote recently signed a partnership deal with Renault, the French car manufacturer, to include the device in several models. It is working in the next several years to form similar partnerships with just about every major car manufacturer, Bussat said.

"The technology is good, and people immediately understand its benefits," Bussat said. "If you save yourself two speeding tickets, you pay for the service. It's also part of our culture- people love to go against the government." RH

cXense

Company: cXense
URL: www.cXense.com
CEO: John M. Lervik
Sector: SaaS
Country: Norway
VC$: Yes

In the new digital age, advertising and content should be made to order, based on deep contextual insight into the audience it's delivered to. The problem is that few companies outside of Google have the capacity to build their own context computing engines to enable the delivery of relevant content and advertising. Furthermore, those publishers that rely on the search engine giant have to give away a big portion of the advertising revenues, with little or no control.

cXense provides contextual and behavioral data on user experience to its customers, integrated with targeted advertising and content recommendations applications. The company's context engine analyzes not only the semantic meaning of each user experience, but also how the user interacted with the content to provide real insight into the user interactions. The cXense platform works as a white label solution behind the customer's sites, gauging user experience to provide more relevant and effective ads based on user context and behavior. Delivered in the cloud, the company's solution is highly scalable, and forms a rapidly growing network of over 2,000 premium websites across the world.

"More and more companies see the need to take control over the user experience, and don't want to rely on a third party competitor like Google to provide it for them," said Dr. John M. Lervik, CEO and Co-founder of cXense. "We build a complete contextual understanding of the user so publishers can use it to provide a more relevant content experience for its users, and therefore provide more effective advertising."

Serving 80 percent of the Swiss population, the Premium Publisher Network (PPN), an alliance of the largest media companies in Switzerland, including Ringier, Tamedia, and NZZ, switched exclusively to cXense's solution, removing all third party advertising platforms such as Google. Thanks to cXense's personalized context computing and audience segmentation, the alliance managed to triple its effective revenue per page view.

Targeting B2C companies, cXense serves media companies, publishers and ecommerce sites, as well as networks of publishers, including 12 of the 15 largest media publishers in the US. The company's platform handles close to one billion user interactions per day, and sees over 100 million unique users on a weekly basis. It has gained quick traction, multiplying itself five times in the last six months. The company expects to double its customer base by the end of 2012 to serve approximately 5,000 premium sites around the world.

With an online ad market of $100 billion, 30 to 40 percent of which includes Google and Facebook, cXense helps its customer compete fiercely for a prime position in the remaining part of the market. The company serves customers all over the world. About 40 percent of its base is in the Americas, 30 to 40 percent in Europe, and the rest in Asia.

The company employs 50 people, all of which are shareholders in the company to one degree or another. It expects to double the size of its team over the next couple of years. "We encourage our employees to be shareholders to encourage their long term participation," Lervik said. "We want to make sure we build a successful company in the long run."

The company has raised a total of $15 million in investment and government grants.

"We are excited about this market because our customers are excited," Lervik said. "They see the strategic benefit of what we bring to the table. We allow them to regain control of their future through their ad platforms, and also leverage the growth in mobile and other smart devices." RH

DarQroom

Company: DarQRoom
URL: www.darqroom.com
CEO: Thierry Ferey
Sector: Internet & Services
Country: France
VC$: Yes

Often dubbed the SmugMug of France, DarQroom doesn't mess around with jPEGs. The company instead focuses on high quality photography, providing a highly professional sharing and display photo database complete with a sales platform for a monthly or annual subscription fee. Its database services are designed not for the entire repertoire of a photography shoot, but rather those select few the photographer is most proud of displaying. Though most of its function is virtual, the company provides

TOP 100: EUROPE

a click-to-brick mailing service as well by offering high quality prints with a resolution suitable for professional display in art galleries. Print is a little more than 50 percent of its revenue.

To provide the level of quality demanded, the company supports photographs of 100 to 200 MGs that can be quickly viewed or downloaded from any device, an approach that demanded the creation of new technological platforms. “We very much focused on design,” said Thierry Férey, CEO of DarQroom. “Photographers trust us with their most beautiful photos, so we needed a platform that supports quality while providing high speed. Over the last four years, we’ve built a technology that delivers such demand.”

With SmugMug’s footprint in the US, DarQroom instead focuses on the Asian and European markets. Due to the popularity of high quality photography on the continent, the European market alone is comparable to the US plus 20 percent, Férey said. The company began in France, a challenging market, Férey admits, but it has since expanded throughout Europe and made forays into Asia. The company was founded in 2008 and spent a year building out its platform before officially launching in 2009. It reached one million unique visitors at the end of 2011.

Today, the company serves over 25,000 paying, recurring customers, with an average print order of $107. Growth has been rapid at a monthly 30 percent outside of France. DarQroom reached $1,070,000 in revenue this year after achieving profitability for the first time. It is on route to be earning $4,270,000 in 2013 and $10,680,000 in 2014. The company has $3.9 million in seed and venture funding from iSource Venture Capital.

The market for high end photography in Europe alone is easily a several billion dollar market, mostly driven by the Instagram revolution and the high quality photo potential of smartphones. “People want something better than Instagram to display their most revered photos,” Férey said. “It’s a niche market but it’s one that’s growing.”

Considering that SmugMug built a $50 million revenue business in six years with no venture funding, the sky is pretty much the limit for DarQroom. Though the company faces competition that includes PhotoBox and Snapfish, none of its competitors offer DarQroom’s full range of services and quality of presentation, Férey said.

By combining professional photography with social media, the company fulfills a different service from the Instagrams of the world. DarQroom is one of the few of its kind, carving out a nice segment in a high growth market the company practically has to itself. Photography knows no bandwidth, nor should the company.

“Numerous studies show that photography is one of Europe’s favorite passions,” Férey said. “We provide a platform that turns their most revered photographs into art.” RH

Debriefing Software

Company:	Debriefing Software
URL:	www.debriefingsoftware.com
CEO:	Henrik Lind
Sector:	SaaS
Country:	Denmark
VC$:	Yes

Typical in-house storage resource management solutions require multiple licenses and specialists to oversee the system. Debriefing Software offers a vastly simpler back-up and storage management in the cloud that’s easy to use without specialized training. Its Wizards Storage Portal provides cloud-based monitoring and analytical services for IBM TSM, Storwize and SVC installations, cutting their client’s IT costs through outsourced storage solutions from one software package with no multiple licenses.

“Our solution is a game changer for the resellers, who mostly compete in hardware with little differentiation in the market,” said Henrik Lind, CEO for Debriefing Software. “Many talk about moving to managed services, but it’s a big leap that’s easier said than done. Our storage portal provides a platform for resellers to move away from hardware focused sales and into developing services for their customers. This creates better margins and real revenue growth. It’s a simple, easy way to reduce the costs of IT infrastructure.”

The company sells its solution through IBM reseller partners. With 15,000 resellers of IBM software, Wharton estimates that about 4,000 of those resellers are relevant to its market. The company currently serves a handful of resellers, which it expects to grow to more than 50 by the end of the year. It hopes to leverage about 2,000 customers in the next five years.

“Wizard Storage Portal will allow us to improve and expand our offering to our existing clients by adding new useful elements of reporting and real-time monitoring,” said Stephen Nygren, Head of storage services at Kerfi, which resells Debriefing Software’s solution on the Swedish market. “Many of Kerfi’s customers already integrate Kerfi products as services into their business operations.”

The company also plans to develop the platform beyond IBM to include other storage vendors. It will further evolve its technology to allow for greater backup and storage monitoring and analysis capabilities.

Debriefing Software maintains a good presence in Denmark and Sweden. Founded in 2003, the company has grown 20 percent for the last three years. It plans to soon launch in Germany next September, and the rest of Europe, US and Asia by next year.

“Through aggressive selling to channel partners, we expect a big hockey stick to come by 2013 or 2014,” Lind said.

Lind declined to state revenue figures, but described the company as “profitable,” and has been since inception.

Judging from the success the company has leveraged in the Swedish market, the future looks bright.

“We’ve seen a lot of recent success and enthusiasm from our Swedish resellers,” Lind said. “We have well over a hundred mid-sized to enterprise customers who are very happy. The majority stay with the product. We believe this can be easily replicated in other markets, and feel very optimistic about the days ahead.” RH

Digital Legends

Company:	Digital Legends Entertainment
URL:	www.digital-legends.com
CEO:	Xavier Carrillo-Costa
Sector:	Entertainment & Media
Country:	Spain
VC$:	Yes

With the largest installed gaming base in the world, Digital Legends understands that players want to be able to play anywhere. After all, freedom is the whole point of being mobile, explained Xavier Carrillo Costa, CEO of Digital Legends. That’s why the company designs its games to work on any platform and any device, whether Android, iPhone, an iPad, or the television in the living room. And the company does more than simple crosswords or Tetris, but invites a full dimensional gaming experience through the mobile phone that’s as rich as any console can provide.

“Content is no longer limited to a specific hardware, but can be pushed to any device so you can take it with you wherever you are,” Costa said. “As more devices are built on mobile chipsets and you can take these games anywhere, we are seeing the biggest market in terms of content that has ever existed."

Founded in 2001, the Spanish company first began in the PC gaming space, collaborating with Nokia to create desktop games. It soon added a mobile division, a direction the market was obviously heading. The company transitioned to focus solely on mobile gaming in 2006, raising a venture round to spur its adoption. The company's presence in the mobile gaming space was large enough to be invited by Apple to present its full featured approach to mobile games at the Apple Worldwide Developers Conference in 2008.

"We anticipated the mobile phenomenon early, and today you have hundreds of thousands of games based on a mobile approach," Costa said.

Today, the company has had over 10.5 million users download its games. It has considerably grown its footprint in the last six months, expanding to the US, UK, France, China and Japan. Driven by increased smartphone use, Asia in particular is a hot space for the company. "I wouldn't be surprised if China soon becomes the number one gaming market in the world," Costa said. "We have seen tremendous growth in the region in the last several months."

The company's free to play platform is central to that base. It earns money through virtual goods such as additional features, privileged access to gaming levels, or other gaming incentives, an approach Costa estimates has allowed the company to earn five times more revenue than a paid platform could. Employing 50 people, the company earned $10 million in revenue last year and recently reached the break even point. It has had $4.36 million in investment.

Costa looks toward two possibilities for an exit- either continue growth to become a large reference publisher or pursue M&A opportunities. Costa estimated in the next five to 10 years the company could easily reach $100 million in revenue.

"The competition in this market is challenging and continually changing, but we are at our best moment we've ever been as a company," Costa said. "The potential for this market is huge, and we aim to continue to rule it." RH

DigitalRoute

Company:	DigitalRoute
URL:	www.digitalroute.com
CEO:	Jan Karlsson
Sector:	Computers/Software/Technology
Country:	Sweden
VC$:	Yes

DigitalRoute provides complete data integration management, connecting every piece of a company's data so that nothing gets lost. The stakes are high, as even a simple data error can cost a company thousands of dollars.

"We give our customers every single piece of usage data out there, dealing with very high volumes, so that nothing gets dropped. We take all the data and transform it into a manageable system," said Jan Karlsson, CEO of DigitalRoute. "Many of the companies touting big data cannot even dream about some of the volumes we manage."

The company offers its clients dependability, scalability, and a low total cost of ownership, as well as the ability to easily process huge sections of data. One of DigitalRoute's clients routinely processes 5 billion bits of data every day.

While some competitors charge for routine service requests to boost their revenues, DigitalRoute takes a very traditional IP approach that minimizes costs for customers, Karlsson said. Basing its technology on Java, the company gains an advantage against competitors through its open source approach, Karlsson explained.

"When we founded our platform on open source in 2003, people told us were were crazy, but we've really benefited from the momentum of Java," Karlsson said. "We've ridden the wave and really capitalized on its developments."

This technological approach has enabled the company to expand its offerings, including real time data analytics and big warehouse applications. The company's approach is significantly more hardware efficient, easier to upgrade and cost efficient, Karlsson said

"We've been able to take these requirements, regardless of volume or ease of deployment, and incorporate them into the product," Karlsson said. "Some of our partners have asked for remote upgrade capability, and we can do it. We've incorporated these requirements into the system, which puts us miles ahead of our competitors."

The company was founded by nine alumni of Ericsson during the dot.com days. Following the bubble burst, the company had a working prototype but no customers. With its seed money all but dried up in 2002, the company managed to raise a bit more on the promise to change its business strategy. It switched to an OEM focus, signing up 17 customers in 2003. That approach gained traction as the company went from signing a new client every other month to two to three per week. In 2008, the company managed several direct sales wins in Germany, UK and Korea. Today, it serves over 250 telecom providers. Since 2002, the company has had a revenue growth of 50 percent. Profitable since 2006, the company earned $37 million in 2011 with a 10 percent profitability ratio.

The company has had $21 million in venture investment from Argo Global Capital and Neqst Partners. "We've had a modest amount of investment for the kind of profits we are building," Karlsson said. "Our investors aren't really pushing for an exit. The marching orders are to build sustainable growth. It's really about building value and growth in a sustainable way."

The company has come a long way from the early days when all members of the team were asked to take significant pay cuts in order to keep the company afloat, Karlsson said.

"It forges spirit when you go through those rough days. It's really fantastic for the DNA of the company," Karlsson said. RH

Docia

Company:	Docia (Byggeweb)
URL:	www.docia.com
CEO:	Mads Bording
Sector:	IT Consulting & Services
Country:	Denmark
VC$:	No

Construction is a messy business of confusing collaboration. Between the architect, engineers, contractors, and subcontractors, thousands of documents are traded back and forth as the project adapts to change. Any miscommunication between channels can result in expensive delays, mistakes and safety risks. As Docia's CEO Mads Bording will tell you, the average €100 million construction project can easily generate a million documents, leaving a paper trail of risk stretching into the horizon.

Docia produces project management software solutions that automatically track the communication process through the channels of construction so that everyone can easily keep up on changes to the project. The technology tracks all channels, and notifies the relevant parties of any changes. Every change is listed and categorized allowing for easy comparison as well as ease of use.

"We structured the software so that everyone on the construction project has the information relevant to them," Bording said. "Our technology tracks all changes so the process is clear and obvious to everyone involved."

The platform is an SAAS, cloud-based service, and has been since 1997 before the cloud was a coined word. "We embraced the possibilities of the Internet very early on," Bording remembered. "We knew it presented unique solutions for sharing construction documents, so we began the cloud based platform from the beginning."

The platform helps clients maintain better efficiency of resources, Bording said. Paper costs, for instance, are cut in half, though some paper documents are still needed as not as many contractors beyond the design level have fully embraced technology, Bording explained. The company has also managed to reduce clients' risk factors dramatically. One client building two totally identical structures, one using Docia's platform, the other without, saw its risk factor reduced by one third and a cost efficiency of 300 percent under Docia.

The company serves 137,000 clients, and it software manages more than 850 construction projects equal to more than $45 billion in asset value. Nearly 85 percent of its business is centered in the Nordic region, and the rest spread throughout Europe with a small presence in the US and Asia. As construction needs around the globe are pretty much the same, Bording sees the services easily extending to a global scale. His biggest priority over the next several months is international expansion. The company's recently forayed into South Africa where the construction demand is strong, and sees the highest interest from developing markets fueled by a growing middle class that has a need for infrastructure. The company has opened six offices around the globe to create a local base for its global expansion.

"We see this making a dramatic impact in whatever market we choose to enter, but we need to prioritize," Bording said. "We are a small outfit, and we can't do everything at once."

For the last five years, the company has a had healthy growth rate of 35 percent, but plans more aggressive growth as it expands internationally. It's strategy is to double its turnover in its home market while expanding into new regions. Though Bording declined to state revenue figures, he expects the company to grow 400 to 500 percent in the next five years.

The company has made it thus far on its own dime, bootstrapped off its profitable revenue stream. It may soon seek capital in order to fuel its international expansion strategies, but it would take the right partner, Bording explained. The company seeks smart money that carries the right connections to fuel its growth. RH

dukaPC

Company:	dukaPC
URL:	www.dukapc.dk
CEO:	Erik Hougaard
Sector:	Computers/Software/Technology
Country:	Denmark
VC$:	No

DukaPC helps Grandma get online easily, immediately, with no hassles or confusing configurations to manage.

The company produces a desktop and laptop PC designed to be user friendly for the elderly. The desktop version includes a touchscreen instead of a mouse for easier usability, while the laptop includes the traditional mouse. Everything is configured at the store, so that email and settings are automatically loaded as soon as the user clicks the on button. In addition to buying the device, users pay for a monthly Internet and support service, which includes managed phone support. Updates are automatically pushed to the device itself with no effort from the user.

"We designed it so the user only needs to buy one box, and everything is ready to go," said Erik Hougaard, CEO of dukaPC. "We wanted a system that was easy to buy, easy to use and easy to own."

The device was inspired by a conversation founder Lars Peter Larsen had with his grandmother, who told him her biggest regret in life was never having learned to use a computer. Larsen and Hougaard decided to collaborate on software for the elderly, but soon realized they'd never use it because a computer itself was too intimidating. Starting at the source, they built a senior-friendly computer prototype in nine months using three engineers. A subsequent test with focus groups brought back promising results.

"We had an immediate positive response, even from the skeptical people," Hougaard said.

The device solves a number of pain points, Hougaard explained. Seniors can often feel lonely and cut off from long-distance extended family when not online. Also, many European governments are limiting their services to online platforms to save money, forcing seniors to become Internet savvy or face isolation. Hougaard estimates the market for the product is about 10 percent of the population.

The company brought the product to market in 2010. It passed 1,000 users in 2011, recently reached 2,000 and will soon grow to 3,000. DukaPC has had a 500 percent growth rate year over year. The company began in Denmark and Norway, and soon plans to expand to Germany and Sweden. It receives requests for its product all over the world. The company is actively searching for local partners to help introduce the product and service in new markets.

The company has been profitable since December of 2011, and has a profitability ratio of 5 to 10 percent.

Self-financed in the beginning, dukaPC did a small first round of financing, with 25 percent of the company now owned by a local utility entity.

The company has quite a fan base, Hougaard said. It's not uncommon to receive cookies in the mail. One elderly woman personally thanked them for helping her get on Facebook, and said the experience was so easy she might actually try the Internet next. An 80 year old told Hougaard she might as well get online, since she wasn't planning to die anytime soon.

"There's a lot of color to this audience," Hougaard said. "They're very thankful. It feels good to receive emails in your inbox telling you what a difference you've made in their lives. We are helping to solve a real problem in society, and we've been lucky enough to be able to make money doing it." RH

eCircle

Company:	eCircle
URL:	www.ecircle.com
CEO:	Volker Wiewer
Sector:	Marketing/Advertising/PR
Country:	Germany
VC$:	Yes

Widely considered to be the leading full-service digital marketing solutions provider in Europe, eCircle provides cloud solutions for social, mobile, web and email marketing. It provides digital marketing professional services including opt-in lead generation, content creation and email services. Founded in 1999, the company is one of Europe's few email marketing providers that feature a complete product portfolio of high-performance email software, Europe-wide email address stocks for exclusive email and address generation campaigns and effective concepts for lead generation and consultancy.

The German company has offices in Germany, the UK, France, Italy, Spain, the Netherlands, Denmark and Poland, and runs over 2,000 systems across Europe, transmitting 10 billion emails per quarter. The company holds references from every vertical sector, including Asda, HBOS, Samsung. Customers include Argos, BT Fresca, and JD Sports.

The company was recently acquired by Teradata, the leading analytic data solutions company, and Aprimo, a Teradata company and the global leader in Integrated Marketing Management (IMM) software. eCircle has become part of Aprimo, with its leadership team joining

Epicrystals

Company:	Epicrystals
URL:	www.epicrystals.com
CEO:	Dan Colliander
Sector:	Other
Country:	Finland
VC$:	Yes

Capable of broadcasting high definition video on a wall, cell phone pico projectors stand on the verge of transforming devices. Samsung will launch its Galaxy Beam in India this spring, basing its projector on LED technology. The trouble is that LED saps too much juice. On current smart phone battery standards, you'll be lucky to get through half a movie on an LED projection system.

EpiCrystals delivers similar technology but with lasers, using red, blue and green diodes to synthesize all the colors in the stratosphere. The company's DeCIBEL laser platform enables a large TV quality picture from a mobile phone. The laser approach maximizes its power efficiency multiple times the standard of LED, making it possible to watch two movies back to back within the span of a typical smartphone battery. The projector is designed to last for 5,000 hours, longer than the lifespan of most smartphones.

"This hasn't been possible before," said Dan Colliander, CEO of EpiCrystals. "Nothing exists that has such a small source factor while using so little power. Our projector will become as normal for a smartphone as a camera or GPS system."

The technology has been a long time in coming. Co-founder Tomi Jouhti worked for a Finnish telephone company in the late '90s, and was intrigued by the possibility of projecting a picture with a cell phone. The technology of 2002 frustrated him because there was simply no light source available that could pull off the capability. He got together with co-founder Janne Konttinen, a friend, to collaborate on a laser light source. The company achieved its first financial round in 2007, and developed the IP with a handful of engineers using existing laser technology combined with non-linear crystal approaches. The company developed the product at production facilities in Taiwan and Japan, and tested the product on several key customers.

With half a billion smartphones on the market, and 1.2 billion expected in 2016, the company expects its product to address at least the top 20 percent of the market. Colliander estimated that the projector's technology would be suitable for about 200 million smartphones in 2016.

Still early in its sales drive, EpiCrystals currently has one undisclosed Japanese customer, and will only truly begin to ramp up its market in the fourth quarter of this year. Nevertheless, the company expects rapid traction in revenue, with $1.3 million expected in 2012, proven market performance by 2014, and about $300 million in sales by 2016. The company expects to be cash flow positive in 2014.

EpiCrystals plans to sell to smartphone suppliers, charging less than $15 per unit while utilizing 10 percent working capital of sales.

The company's own investment capital stands at $9.1 million from Finnish Industry Investment and VNT Management. Colliander envisions a trade sale or IPO as a potential exit.

The time for the technology is perfect and long overdue, Colliander said.

"Our product is not a technology push, but a technology pull," Colliander said. "The pressure from the supply chains of consumer electronics to have this happen is absolutely huge. Everything to make this happen is available today, aside from the light source, and we've achieved that." RH

eToro

Company:	eToro
URL:	www.etoro.com
CEO:	Johnathan Assia
Sector:	Finance/Banking/Brokerage
Country:	Cyprus
VC$:	Yes

Building one of the largest social investment networks in the world, eToro strives to make financial trading as social as Facebook. The company creates a social network of people willing to share their investment histories with all the members of the network, chronicling actual trades in realtime from almost every corner of the world.

eToro's platform creates list upon list of the top traders in the network, which can be broken into a variety of parameters, including the number of copiers, win ratio and profit ratio. Clicking on an individual investor reveals account performance, comments by followers, and the portfolio of what that investor is currently trading. The company provides a simple transparency to the world of investment trading.

"eToro works like Facebook, but for investment. Instead of your friends, you can see people who are the best money makers in the world," said Yoni Assia,co-founder and CEO of eToro. "We are democratizing the world of financial trading, and making it social. We've channeled the psychology of investment and created much higher maturity of engagement and profitability ratios across all users."

The average investor improves profitability by 20 percent using eToro's platform. Users can start with as little as $250 in investment. eToro currently counts 2.5 million registered users all over the world, and hopes to reach 10 million in the next couple of years. The company earns money on each transaction conducted through the site.

The idea is the brainchild of Assia and his brother Ronen Assia, both traders and programmers with a self-described accounting fetish. The two wondered why there were no truly quality products to assist in the financial trading industry, which suffered from not only a lack of tech but the absence of a deep focus on user experience, Assia said.

Seeking to create engagement among traders, the two founded eToro as a social investment network in 2007. The brothers brought in a third partner, CTO David Ring, who had a background in programming, and built a full fledged financial tracking platform over the course of nine months. The company received funding and hired four more programmers, which worked to launch a social trading platform that provided real ROI driven user experience. The company gained viral traction across several social networks which helped to build its user base. The company had a growth rate of 100 percent last year.

The company received a $31 million investment from Spark Capital, BRM, Guy Gamzu and Jonathan Kolber. Not focused on an exit, Assia said the goal is to simply build an extremely profitable company.

Though he declined to state specific revenues or when the company expected to reach profitability, Assia said he expects the company to earn $100 million in revenue in the next two to three years.

"The financial services industry is one of the largest industries in the world, yet it remains almost untapped by technology and innovation," Assia said. "I believe in the near future, we will see more and more social companies go public, and we see a trajectory of good momentum. There really is no limit to the size of market we're facing." RH

EyeClick

Company:	EyeClick
URL:	www.eyeclick.com
CEO:	Ariel Almos
Sector:	Entertainment & Media
Country:	Israel
VC$:	Yes

Fast food playgrounds may get the kids in the door, but they don't exactly keep the management happy. Outdated, the equipment requires constant cleaning, takes up too much space, and cannot be easily moved to accommodate larger parties or a fully packed restaurant.

EyeClick creates whole worlds of fun with a simple projector on the ceiling. The company develops interactive technology that combines a sophisticated projector with natural body movement to create games more reminiscent of a playground than a video game. Its central product EyePlay is designed for restaurants and malls, anyplace where kids play. Similarly sized to home consoles, a projector on the ceiling transmits high tech graphics that interact with the movement of the players on the floor. A digitally projected soccer game, for example, feels like the real thing, powered by graphics that practically look like science fiction.

"Managers aren't happy. They're stuck with equipment that takes up a lot of floor space," said Ariel Almos, founder and CEO of EyeClick. "Our product can use the same floor space for potentially hundreds of games. We've found it works really well with kids."

In addition to the game console, the company also produces interactive boards and tables often used for advertising. The company actually began developing technology for ad companies. They soon got an inquiry from a fast food restaurant that wanted to replace its playground equipment, and realized the product ideally suited that niche. Ideally suited for advertising, the games themselves can be customized to promote any brand.

Today, the company serves some of the largest chains, including Burger King, Target, and KFC. Just two years out on the market, its solution is already in more than 500 locations, up from 100 a year ago, with rapid growth. Almos expects the product to be in at least 100,000 locations in the next five to seven years.

The company serves customers in over 40 countries. It has a US based office that serves the United States, and an office in Israel that serves the rest of the world.

While Almos declined to state specific revenue figures, he estimated the company could reach triple digit revenues in the millions of dollars in the next five to 10 years. The company achieved profitability in 2011.

The company has had a few hundred thousand dollars of investment, and mainly grows organically by investing from its sales. Not focused on an exit, Almos said the company's biggest priority over the next few years is growth.

"We are a first mover in a market that is not yet mature, on the one hand," Almos said. "Yet on the other hand we bring a solution that works well. We're ideally positioned to become a leader in this market." RH

eYeka

Company:	eYeka
URL:	www.en.eyeka.com
CEO:	Francois Petavy
Sector:	Marketing/Advertising/PR
Country:	France
VC$:	Yes

In a global marketplace, brands need to connect to entirely new worlds and cultures as they expand their markets. eYeka provides a creative community from all over the world to crowd source ideas, brainstorming branding possibilities and ways to drive engagement that are unique to the targeted culture. And it does so at lightening speed. It typically takes the company weeks to provide the same marketing insights that would take an advertising agency months, shortening development cycles so that concepts can be brought to market faster, explained François Pétavy, eYeka's CEO.

Featuring a creative community of over 225,000 contributors in 94 countries across 12 different languages, eYeka enables connective intelligence, providing the very best ideas from a culture's "top creative 1 percent," Pétavy said. "We help brands understand which direction to go through a community to help them build their brand. Essentially, we provide creativity-as-a-service."

One educational company wanted to create an educational experience for children that was also fun. In three weeks, eYeka's creative community provided 50 ideas, whereas it took a top design agency three months and a top design school six months to come up with the same level of insight. The company decided on a eYeka idea for an app that made a game of spelling mistakes in children's text messages, and were able to get to market faster.

Brands subscribe to the platform and then pay a fee based on the number of ideas they end up using. Ekeya's contributors earn cash when their idea is chosen. Not earning enough to make a living, most contributors are primarily driven by the motive to showcase their creativity in a marketing campaign, Pétavy explained.

Founded in 2006, eYeka spent the first two years building up its community to 10,000 members before landing its first brand in 2008. The company today serves 40 of the top leading brands, including Coca-Cola, Kraft, and P&G. Requests for its services have grown 80 percent in the last year. The company earns several million dollars of revenue. This year, Forrester identified eYeka as a leader in the co-creation content space.

Based in Paris, the company has established teams in France, Korea, and Singapore, and serves brands on a global basis.

The company has raised $10 million from DN Capital, Ventech, SFR Development, and iSource. Pétavy expects the company to break even by the end of the year. Ultimately, Pétavy sees eYeka as a $100 million opportunity.

"We're not replacing the agency, just the way they generate their ideas," Pétavy said. "You still need someone to come up with a marketing campaign and product launch, but we can transform the way brands innovate from the inside."

The company competes against CafePress, Crowdspring and ponoko. RH

Fashiolista

Company:	Fashiolista
URL:	www.fashiolista.com
CEO:	Joost Nauta
Sector:	Social Network/Media
Country:	Netherlands
VC$:	Yes

Fashiolista is the Pinterest of Fashion. The company produces a social fashion site that allows users to tag their favorite shopping items to their profile. With simple tag of a browser plug-in, all information about the item is teleported to the profile, including a link to a page to buy it. The site focuses on social, as users can become fans of other users and see their posted profiles, creating an interconnected community. All content is 100 percent user driven, yet each user is treated to daily fresh content in the profiles of the people they follow. Fashiolista has positioned itself to become an online social center for fashion, allowing the users themselves to set the trends ahead of the fashion magazines.

"There is a terrifically important evolution going on in the fashion world, propelled not just by the fashion community but by bloggers and other users of social media," said Joost Nauta, CEO of Fashiolista. "People are becoming more influenced by new emerging trends through social sources, and it's no longer the fashion magazines alone who have a voice. Social media will have a major impact on the fashion world, and we are in a perfect position to be part of it."

Nauta began his first venture at the age of 19 and has over 9 years experience with internet ventures. He was previously CEO of Direqt B.V., one of the pioneering e-commerce companies in the Netherlands.

The company's audience is 99 percent women ages 18 to 24. Nearly 600,000 products are added to the database monthly.. The site currently has more than 750,000 members, and sees more than two million people visit the site monthly. Plus, the site shares partnerships with bloggers that use tools to expose the site to another 13 million people. In total, about 15 million people per month view the content on Fashiolista, Nauta estimated. Its customer base is growing at a surging 10 to 40 percent per month.

"It's a niche product," Nauta said. "We're not Facebook, but we are aiming for an audience of millions of active users spread across the globe. Our objective is to become the dominant fashion platform."

Though the company launched its site in 2010 without much of a business plan, it formed commission agreements with fashion online shops for items sold through the site's audience. Nauta estimated the site sends 50,000 customer referrals per day to a couple hundred websites.

The company reached the break even point the first quarter of this year, and expects over a million in revenue this year.

Though first launched in its native turf of Amsterdam, the company soon picked up considerable traction in Brazil, and South America remains one of its hottest markets. But now it also built a significant presence in Western Europe, Italy, the UK, Sweden, France, a growing audience in the US, and is considering expanding into Asia. In the future, it will focus expansion efforts on Europe, South America and Turkey.

Its next focus is to build a mobile platform for its technology and better integrate itself with online retailers.

"We are in an ideal position to build up this company," Nauta said. "We have a team that carries a high degree of technological expertise, as well members who are very fashionably minded. Through our combination of tech nerds and fashionable ladies, we have what is needed to succeed in this market." RH

FXI Technologies

RED HERRING GLOBAL 100 WINNER

Company:	FXI Technologies
URL:	www.fxitech.com
CEO:	Borgar Ljosland
Sector:	Hardware
Country:	Norway
VC$:	Yes

FXI Technologies produces the Cotton Candy, a computer on a stick. The USB-stick sized computer easily connects to any TV, screen, tablet or smartphone, creating a secure, ubiquitous computer platform that's easily carried in a pocket. The company claims to offer the only any-screen microcomputer on the market. The device can plug into HDMI or USB enabled screens, including laptios and computers, to run the OS resident on the SD card of the Cotton Candy.

The device carries a powerful CPU and graphic processor with built-in WiFi that only needs a screen to use. Rather than a replacement for the cellphone, the device serves to complement the smartphone, offering a more usable screen and interface that serves to connect any number of devices. The device sells for $499.

"Instead of stopping with a smartphone, we take the evolution of small computing a step further, creating a personalized, thin client that fits in your pocket, and can be accessed from any screen," said Borgar Ljosland, founder and CEO of FXI Technologies. "Smartphones are not really good at anything, but they can do everything. We look at the Cotton Candy as a pure computing resource that's a cloud based client. It gives a complete computing experience, but from any screen or device."

The company is a spin-off of Falanx Microsystems, which Ljosland co-founded to design process units for chip manufacturing in mobile phones. In 2005, the company worked on establishing a separate route for graphics processing that could work on any screen. In 2006, Falanx was acquired by ARM, the Intel of the embedded industry. As part of the deal, Ljosland retained the patent related to the separate memory device, which he used to spin-off FXI Technologies. The company spent its beginning years as a chip company before focusing on devices when it started the Cotton Candy in 2010.

The company is currently in the process of building its proof of concept, targeting the geek and developer markets. With several thousand pre-orders requested, it has already outstripped its manufacturing capacity. FXI Technologies is currently in discussions with a variety of potential retail and Internet operating partners to expand its sales and manufacturing capacity to reach large volumes within the next year.

Though the device is just getting off the ground, Ljosland expects the company to earn $3 to 6 million this year. Revenues could be significantly higher next year, depending on the sizes of partnerships signed, Ljosland explained. He expects the company to reach the break even point next year.

Headquartered in Norway, the company also has a manufacturing team in South Korea, with some operations in Finland and the U.S.

The company has had an $8.3 million investment. As the leader in the developing market of small computing devices, the company's main priorities are to capture and grow its market, Ljosland said.

"We think the potential is so great that until we understand the capacity, it's premature to plan an exit," Ljosland said. "As a company, we need to have a role in developing and proving the market for small computing devices."

As a new market, Ljosland estimates the market opportunity to be anywhere from 100 million to 1 billion units per year. The company competes against Via Technologies' APC and the Raspberry Pi. RH

Gameforge

Company:	Gameforge
URL:	www.corporate.gameforge.com
CEO:	Alexander Rösner
Sector:	Entertainment & Media
Country:	Germany
VC$:	Yes

When Gameforge first began mulling over the idea of offering its games for free, CEO Carsten van Husen was fundamentally opposed to it. At the time, it didn't make sense. Why make the mistakes of the early Internet by giving it all away when the company was already earning profits from paid games? But the company's founders convinced van Husen to give the freemium model a try. Five years later, the success of Gameforge's free platform cannot be denied. The company today enjoys over 300 million users, earning $182 million in 2011.

"The founders were proven right," van Husen said. "Our freemium model has allowed us to succeed with titles that now have three to four times the active amount of players than the World of Warcraft, which would not have been possible if we hadn't given it away."

One of the leaders in massive multiplayer online games, Gameforge's portfolio includes 20 online games such as Runes of Magic, Battle Knight and BiteFight. The company earns revenue from selling virtual services or benefits, allowing players to purchase additional features or advancements. With over 50 languages on its platform, its gaming community is truly global, allowing players from a range of nationalities and worlds to play together, in real-time, for free. Serving a global market, the company has players in over 75 countries.

"Although the size of the online gaming market appears small, when you have a valuable proposition to make, you take it all," van Husen said. "We decided to go international, early and far."

Facing a market predicted by Pricewaterhouse Coopers to be $40 billion in just a few years, Gameforge is well positioned to be a leader in web and client gaming. It is the only top 10 web and client game contender not from East Asia (Zynga is in the sector of social gaming), and the number one publisher of free massive-multiplayer online games in North America. Instat, the market research company, ranked Gameforge number one in its October 2010 analysis "Virtual Goods in Social Networking and Online Gaming."

Social gaming comes naturally to the company, as the social web was how the two founders originally met. Co-founder Alexander Rösner was a serial entrepreneur who created one of the biggest ISPs in Germany. Following his successful exit, he built Ogame, his first, in 2002 as little more than a hobby. That game was noticed by Klaas Kersting, who also had a similar game that was not quite as good as Rösner's. However, Kersting was already earning advertising revenue through his game. Despite not meeting in person, Kersting emailed Rösner with a partnering proposition, and Gameforge was born.

Growth has been steady, with 100 million registered users in 2009, 200 million in 2010, and 300 million in 2011. Today, the company has a compound annual growth rate of 15 percent. Profitable since its inception, the company enjoys a profitability at a two digit percentage. It has 600 employees and an undisclosed amount of investment from Accel Partners. The company competes against Big Point, K2 Networks, and PlaySpan.

"Our games have a certain depth of content, which opens us to wider and wider audiences, for which there is good demand," van Husen said. "We have a certain definition of the market, one we hope will grow significantly." RH

GigaSpaces Technologies

Company:	GigaSpaces Technologies
URL:	www.gigaspaces.com
CEO:	Zeev Bikowsky
Sector:	Computers/Software/Technology
Country:	Israel
VC$:	N/A

GigaSpaces Technologies launches mission critical applications into the cloud with no coding alteration or architectural changes, and it does so at lightning speed. While standard solutions typically require a window of six to 12 months, GigaSpaces can launch the simplest to the most complex, distributed enterprise-grade application to the cloud within days.

The company's complementary solutions include XAP Elastic Application Platform, whose latest release provides an easy-to-implement real-time analytics solution for big data applications, and Cloudify, a platform that quickly and easily deploys mission critical applications to the cloud. The company's specialty is mission critical apps, but what sets it apart is its speed and ease of deployment.

"We provide extreme elastic scaling – the ability to enable mission critical applications to handle massive amounts of data and users," said Adi Paz, EVP of Marketing and Business Development for GigaSpaces. "With our innovation and product in hand, we can Cloudify the world and put mission critical applications into the cloud with no hassle."

The company offers a freemium model, with paid support packages based on capacity. The Cloudify technology is structured on an open source platform.

Founded in 2000, the company today serves over 350 customers, many Fortune list companies, across several verticals, including financial services, telecom, and healthcare. Key customers include Morgan Stanley, Dow Jones, Goldman Sachs, and Sears.

Sweden's Avanza bank adopted GigaSpaces technology as the infrastructure for its core services.

"We have a 100 percent customer focus to provide the next generation of financial services, and sought technology that would help us achieve this," says Ronnie Bodinger, Avanza Bank CTO and founder. "GigaSpaces technology allowed us to increase customer satisfaction by facilitating better, user-friendly services, as well as new services, which ultimately enhanced our bottom line."

With the first quarter of this year standing as its best ever, the company plans to double its revenue by the end of next year. It has recently formed partnerships with Microsoft and HP to integrate Cloudify as part of their cloud strategies. Both Gartner and

Forrester have named the company as an industry leader.

Serving a global market, the company has offices in New York City, San Jose, Calif., Europe, and Singapore. Its main development center is based in Israel.

The company has had an undisclosed amount of investment from Intel Capital, FTV, NY, and BRM.

The company's CEO Zeev Bikowsky previously served as General Manager for Radvision in its Networking Business Unit which provided infrastructure for the unified communication market. He also served as General Manager in Radvision's Technology Business Unit. He was also previously CEO of Seagull Semiconductor, which was acquired by Cisco Systems in 2000.

"Both our scaling and cloud on-boarding technologies are geared to help our customers do very complex things, such as real-time analytics and cloud deployment for enterprise apps – easily," Paz said. "It's the time and cost benefit that's extremely valuable to our customers. We are simplifying their lives." RH

Glispa

Company:	glispa
URL:	www.glispa.com
CEO:	Gary Lin
Sector:	Marketing/Advertising/PR
Country:	Germany
VC$:	No

Founded in 2001, Glispa is an independent, full-service online marketing company, connecting advertisers with a publishing network to deliver the audience and traffic they desire. Currently based in Berlin, the company began in the US and today serves 26 different countries and 19 languages for a truly global approach that benefit its advertisers with connections to a wide array of nationalities and cultures.

Glispa creates networks that connect advertisers with its ecosystem of publishers to increase traffic and sales. Its services also include search engine marketing, media buying services and creative development. It creates a multi-benefit for advertisers and publishers risk-free sales solution incurring no fixed costs. Payout models include cost per lead, cost per order, or cost according to a custom acquisition model.

Its tools include Wisdomkeeper, an internal knowledge sharing & business intelligence system to help manage campaigns; Spirit System, a custom tracking & attribution analysis tool to accurately measure, compare & optimize ROI across all online marketing activities; and AI (Artificial Intelligence), an affiliate marketing tracking platform.

The company's clients include ToysRus, Gameforge, MetLife, and Match.com.

The original company launched in the US was awarded the #1 Advertising & Marketing company in America by Inc. 500 in 2008 for its three year growth rate of over 8,000 percent. RH

Globalmouth

Company:	Globalmouth
URL:	www.globalmouth.com
CEO:	Erik Jönsson
Sector:	Mobile
Country:	Sweden
VC$:	Yes

Offering mobile marketing solutions, Globalmouth only makes money when its customers do. The company employs a transaction based model, taking a cut of the sales their customers earn using Globalmouth's platform. Highly scalable, its technology has a customizable base allowing better adaptation to the customer's needs.

The company offers campaign assistance in efficient lead and prospect generation with mobile devices. It also features mobile communication marketing, helping customers to develop efficient customer retention and reactivation for mobile. It further collaborates in business process development, helping companies build successful sites, including a series of popular mobile gambling platforms that have enjoyed a high rate of recurring customers.

"It's all about breaking yourself out and putting the development into a mobile perspective so you can develop a solution that's adjustable to the requirements and needs of the customer," said Erik Jansson, CEO of Globalmouth. "People often view mobile devices while watching television for example, so you need content designed around that in mind."

The fact that the company only earns money when its customers do lowers the barriers for customer acquisition. The company currently serves more than 100 customers per month, and adds an average two to five additional clients every month, earning it an annual revenue growth of 50 percent. "The scale of our business is very much related to the scalability of our customer base," Jansson said. Customers include bwin, SSAB, and Mr. Green.

Its customer market is currently focused on Sweden, and will soon extend across Europe and into Russia under several joint ventures with local partners. It is also in discussions with potential partners in the Middle East. "We see no limitations, but we need to take this one step at a time," Jansson said.

Though Globalmouth has only begun to mass revenue, its beginning to see the potential. The company earned $1.2 million in 2011 with a profit margin of 15 percent. It expects to earn $2 million this year, and $3 million in 2013. Yet the real cash cow will come after 2013 once the international expansion bears fruit, Jansson explained. The company expects to be earning $60 million in revenue within the next five years.

"Our market is maturing as fast as our customers understand the opportunities for mobile," Jansson said. "We anticipate aggressive growth as we expand internationally."

The company employs 10 people, and expects to double its staff by next year.

The company has had $500,000 in seed funding. Quite profitable, it currently reinvests from its own resources and is not currently in need of funding. However, it may consider additional funding in the next few years to fuel the expansion, Jansson said.

The company is positioning itself for an industry sale, perhaps in the next two to five years,

"The demand in this industry is simply exploding. Every one of our customers realizes the new opportunities arising in this enterprise segment and what it can do for their business," Jansson said. "We come in with experience, tools, knowledge and products that work. There's really no limits to how much we can grow. By 2014, our revenues will be through the roof." RH

GreenPeak Technologies

Company:	GreenPeak Technologies
URL:	www.greenpeak.com
CEO:	Cees Links
Sector:	Semiconductor
Country:	Netherlands
VC$:	Yes

A spin-out of Bell Labs, GreenPeak Technologies has a history founded in WiFi. Its parent company helped develop the WiFi platform for Apple, which in 1999 became the wireless standard. Today, GreenPeak hopes to do the same for ZigBee, a low power version of WiFi designed to connect the electrical devices in a home. The ZigBee chip features a low power battery that lasts up to 30 years, essentially the lifetime of a device. It then connects those devices, whether a furnace, home entertainment system or coffee pot, to a central Internet connection to optimize the use of energy. Heaters can be turned off when a window is left open. Lights can go dormant when there is no movement in a room. Home air conditioning can be powered on by a mobile phone in commuter traffic.

By making the smart home a reality, GreenPeak strives to enable the 5th Play for cable operators, adding in the next connectivity cycle behind phone, TV, Internet and mobile phones. It's advantage in this market is its low power approach, as well as a radio that can broadcast the signals throughout the house to the Internet even without a WiFi connection, including through closed surfaces like cupboards or doors. Considering the vast number of devices that need to be connected to make a home smart, battery replacement can be quite an ordeal. GreenPeak's ZigBee approach means no batteries ever need changed, yet every device can be inexpensively linked to a central system for a cost effective approach to the smart home that doesn't require a lot of high end maintenance.

The company's low cost approach opens the smart home to a broad consumer base. "It's a game changer in the same league as WiFi," said Cees Links, CEO of GreenPeak Technologies.

The technology has been a long way in coming, but its adoption is gaining momentum. Founded in 2005, the company spent its first six months getting the algorithms right, and then about two years to complete a chip. It signed two customers in 2009, including Sony and Comcast, which began providing the technology through a set top box in 2011. Today, the company serves over 30 operators, and will have a user base of 20 to 30 million by the end of this year.

Based in the Netherlands, the company's reach includes Europe, India, South Africa, South America, Korea, and Japan, but its largest growing base is in the US.

The company has had $30 to 35 million in investment, and may soon consider a strategic investment to accelerate its growth. Investors include Gimv, Robert Bosch Venture Capital, DFJ Esprit, Motorola Ventures and Allegro Investment Fund. Employing 60 people, the company will likely break even next year.

And the company has plenty of market to grow. Considering that each home would need several ZigBee units, Links estimates the company faces an operational market of 30 billion units for the home market alone, not even counting industrial applications, the hotel industry or medical environments. Its low power approach and long battery life give it a keen advantage in the market.

"We have a technology that is very timely," Links said. "This market is poised to explode, and we are ideally positioned to take advantage of it. We couldn't have come along at a better time." RH

Halio

Company:	Hailo
URL:	www.hailocab.com
CEO:	Jay Bregman
Sector:	Mobile
Country:	United Kingdom
VC$:	Yes

Roughly 30 percent of a taxi driver's day is spent in an empty cab looking for a customer. Halio helps cab drivers "see around the corner, look through walls and see the rides they're missing," explained George Berkowski, Head of Product at Halio. The company's app helps cab drivers get more rides, better manage their business, and even interact through social media tools with other taxi drivers. Customers, in turn, can order a cab with one tap of the app, be able to see the cab driver's location in real time, and be able to pay for their taxi directly from the app.

The company's appeal to taxi drivers comes first, long before it ever launches the app service in a given city. In fact, the company does not establish the customer side of the app until it has a substantial number of taxis on the service. The company monetizes its app by taking a 10 percent commission, but gives the drivers plenty in return. Halio enables cab drivers to process credit card payments with modest fees using a smartphone approach similar to Square. Cabbies also have access to real time traffic data and receive special announcements as events such as concerts and sports games let out that could increase their demand for business. Taxi drivers can also connect through the app's social media platform to other cab drivers to break up the loneliness of the job, and arrange meet ups for coffee or dinner, etc. Overall, the taxi drivers get more rides, boosting business by an average of 15 percent.

Riders receive an easy way to pay for their cab, either through a credit card swiped through the driver's smartphone or financial information embedded into the app. European customers can also pay through cash. They get a digital receipt, detailed information about their driver, and a routing log for added security.

The relationship of cab drivers to the app is so important that cab drivers actually make up the founding members of the team. The app began as a courier service, but the company soon realized its performance was ideal to the taxi industry. The three founding Internet entrepreneurs teamed up with three cab drivers in order to get the service right, Berkowski explained. It's a process that continues to this day. Whenever the company launches in a new city, it hires a mix of tech geeks and local cabbies to ensure the technology best complements the local market idiosyncrasies.

The company currently operates in London, Dublin, Toronto, Chicago, Boston and soon New York. It plans to soon extend into Asia as well. Thousands of rides are completed on the platform everyday, growing quickly at about 30 percent month over month. It has about 500,000 users of the app in London, with about 7,000 taxis on the platform out of London's estimated pool of 23,000 cabs. The company's revenues are well into the 10s of millions of dollars. It has had $20 million in investment, and is looking to raise a new round to fuel its growth.

With at least 25 cities in the world boasting $1 billion taxi markets of a billion dollars, the company clearly has the potential to be a multibillion business, Berkowski said. Its well on its way. In the next three years, Berkowski expects the company to be earning over $100 million in revenue.

Getting on the cabbies' good side, the company stands poised to revolutionize the taxi market. Happy customers are only possible through a satisfied fleet that widely uses the platform. RH

Hippo

Company: Hippo
URL: www.onehippo.com
CEO: Jeroen Verberg
Sector: Computers/Software/Technology
Country: Netherlands
VC$: Yes

Hippo personalizes the web experience through context content management. An early open-source pioneer, the company allows ecommerce shops to customize every user's visit based on end attributes that include location, time, behavior and interests, fine tuning every visit so that the most relevant merchandise or content is delivered. Its technology works across all devices and platforms from a single source, enabling content management of both the web and Facebook under one roof. Its services boost conversion rates for its customers by an average of 40 to 80 percent.

"Ecommerce sites need to be sure that what they offer is uniquely right for each visitor," said Jeroen Verberg, co-founder and CEO of Hippo. "If you make each visitor's experience feel perfectly right immediately, you'll end up with higher conversion rates that lead to a greater sales potential."

Hippo was founded in 1999 to provide content management with a specialization in personalization for mobile in a pre-smartphone world. It developed core context content management technologies with 12 to 14 engineers backed by a sizable open source community, expanding to more sophisticated platforms as the smartphone revolution kicked in.

"The open source model has been good from a development perspective," Verberg said. "You look at problems from different angles with a variety of eyes."

Its open source approach attracted the interest of several large enterprises, which led the company to develop a commercial package of its technology. The last several years have been concentrated on sales and marketing of the platform, Verberg said.

Those efforts have paid off significantly, Verberg stated. The company today has 60 to 70 customers, growing at an average annual growth rate of 75 percent the last couple of years. Last year was the company's best ever, and the first quarter of this year alone saw a 75 percent growth rate, Verberg said. Employee growth too has been rampant, growing from 50 to 70 over the past year as the company continues to build up its network.

With a small presence in Asia, the company largely serves the European market, including the UK, Germany, the Netherlands and France, with sizable reach in the US. The company competes against Fusionworkshop and Ekton.

Completely bootstrapped, the company could be profitable at any time it chooses, but continues to invest a good deal of its revenues back into growth, Verberg said. Facing a billion dollar market, the company's biggest focus right now is expansion, he added.

"The market is good. Mobile, social and our entire space are hot," "We are signing the customers we need to sign. More importantly, our technology has lived up to the promise," Verberg said. "The information overload problem is a big issue. We hope to give consumers around the world a better experience by providing them what they are actually looking for." RH

HR Matching

Company: HR Matching
URL: www.hrmatching.com
CEO: Peter Vogel
Sector: Internet & Services
Country: Switzerland
VC$: Yes

Through its Jobzippers career portal, HR Matching works to connect students to employers, using both digital and physical campus communities to create an inter-connection of universities that fuels its career matching model. The company complements its network of on-campus physical representative with an online presence linked to university and student resources as well as the scouting employment companies. It then creates customized job boards designed for the individual student. As companies post positions, those posts are then multiplied through a targeted fashion across HR Matching's complete network.

Currently concentrated in Switzerland, the company focuses on the European market where the majority of universities do not yet have functional career services, explained Peter Vogel, founder and CEO of HR Matching.

"We created this community to differentiate ourselves from other job sites," Vogel said. "In addition to our career portal, we've also created a satellite connection system of boards and integrations, which sets us apart from our competitors. We have a very trustful relationship with the universities."

A recognized specialist in employment market issues, Vogel also pursues a PhD at the EPFL at the Chair for entrepreneurship and is the youngest partner of the FutureWork Forum, a global HR consulting group. He previously co-founded re.flect.

Though the company works closely with the universities, it does so only as channel partners, and does not charge students nor universities for its services. It earns its revenue through the companies that hire under its platform with pricing tailored to the company's size. For proof of the company's services, Vogel points to the company's 90 percent client renewal rate.

The company was recently granted a government funded research project to create a novel matching algorithm which combines semantic matching with recommendation systems for enhanced results. This technology directly fuels the company's ISP.

For most of its inception, the company has been focused solely on the Swiss market, and currently has 50 lead clients as well as 400 smaller clients. Vogel admits the Swiss market is rather small, with about 30,000 graduates each year, and not much further growth can be achieved within its limits. He next strives to expand the company throughout Europe to encourage more open growth. With three million graduates per year in Europe, Vogel estimates that market to be about $4 billion.

The company has had about $220,000 in investment from Centralway Investment AG, and is currently looking for a second investment of about $550,000 to expand its sales and marketing divisions to pursue European expansion.

The company competes against Monster, CareerBuilder and CoolWorks.

Though early in the European expansion, he expects the company's revenue to surge to to 16.5 million by 2015 as the company expands its market.

"We really see our job portal resonating very nicely in the academic environment, and we've had a lot of positive feedback," Vogel said. "For us, it works as a multiplying platform that creates significant traffic to the website. We receive top quality back links from the universities that results in a high page ranking. Now we just need to expand our market in an efficient but quick manner to really build our revenue."

HyperIn

Company: HyperIn
URL: www.hyperin.com
CEO: Markus Porvari
Sector: SaaS
Country: Finland
VC$: Yes

Providing a leading platform for service real estate, HyperIn allows mall owners to completely manage their retail spaces through a unified solution that handles everything from analytics to marketing to tenant management to ERP. Its software provides real-time insight that helps mall operators increase their consumer footfall, optimize sales and facility potential, access additional revenue streams for advertising, and manage service providers more efficiently. The company also provides digital signage for easily updatable advertising.

"Most of the grunt work of managing malls is still done through emails, spreadsheets and phone calls. There's a lot of manual work wasted," said Markus Porvari, founder and CEO of HyperIn. "At the end of the day, we give our customers a system where they can instantly log on and see what's happening in their shopping centers in real-time."

The company provides three products, including HyperIn Manage, providing a complete package for mall management; HyperIn Monetize, an advertisement sales portal; and HyperIn Connect, providing hyperlocal search through interactive mall directories and social media.

The company's revenue is based on a subscription model, with its ad platform selling 10 to 15 percent revenue share of advertising sales.

Adding about two to three malls per month, the company's growth has been steady. It currently serves 36 malls, expected to reach 50 by the end of the year and 200 by 2014. Its revenue streams have been profitable since the beginning. With its current cash flow, Porvari expects the company to reach profitability by the end of the year.

Founded in 2009 and headquartered in Finland, the company started in Europe and has since spread to Asia, where it sees its strongest growth opportunities. The company is working on a Series A round to facilitate its expansion.

"We're definitely on the right track, but we need to accelerate the growth," Porvari said. "As a cloud solution, we've designed this to be scalable, so there really are no limits to our potential."

The company also recently began expanding into North America, which brings it full circle as both Porvari and future CTO Petteri Lappalainen met at business school in San Francisco pursuing their MBAs. Bitten by the entrepreneurial bug in San Francisco's startup ecosystem, Porvari admits he would never have had the inspiration to start a company if he had stayed in Finland. He came up with the idea of the mall management platform during his studies, and had some interests from the Valley's investors. The beginning of the US recession in 2007 and America's trend towards ecommerce led him to start the company in Finland, landing its first customer in 2008.

The company competes against Coyote Management, BLB Mall Management, and Multi Mall Management.

The company did a case study in selected in Nordic and Baltic locations, including 24 shopping centers. In six months, 83 percent of mall managers reported that HyperIn had streamlined management processes and increased advertising sales in the facilities and 98 percent reported that overall consumer satisfaction and mall commercial information delivery had improved.

"A lot of malls are essentially using outdated, 90s technology. It is eye opening for them to see how much information they can access and how much easier their work can be done," Porvari said. "Our customers are always our best salesmen."

Imatia

Company: Imatia
URL: www.imatia.com
CEO: Fernando Vazquez
Sector: Software
Country: Spain
VC$: No

With Imatia, software development becomes as simple as Google Docs. The company's software enables managers to develop business applications online without any developing skills, complete with business logic, workflow and user interface. The company's customized app maker Ontimize includes a series of reusable software assets that can be defined as content and deployed on its platform so that the same content can run on any desktop, browser, mobile device or TV.

"We treat the application as if it were content," said Fernando Vázquez, CEO of Imatia. "Why should a business application be more difficult to design than a Powerpoint or spreadsheet? Usually you need developers to deploy and set up infrastructure. We have a complete server in the cloud where someone can build a business application and have it up and running without formal development or deployment."

Typically, software development takes six months to a year. Before the company created its platform, it had reduced that timeline to just a few months. The company's recently released technology can produce substantial software in the space of a few hours. The company developed its transactional business logic solution last year that enabled software development without the need for programming. All development is deployed to the cloud, so managers can tweak and revise the software from anywhere on a 24/7 basis.

Imatia targets large companies, government and software developers. It serves customers in Europe, Spain, has a large partnership in the US, and is currently working through several partners to sell its technology in South America. Customers include Network Rail, Continental, and MRW. The last several years, it has had a 35 percent revenue growth, earning $4 million last year. It only recently started its international expansion and foresees greater growth as a result.

Imatia had been seeing annual growths of 300 percent a few years ago, but slowed growth in order to concentrate on its core product. Núñez sees growth as the company's biggest priority as it ramps its new solution to market, and expects the traction to surge in the coming years. It is now focused on building a world-class sales team.

"Many of our customers tell us we're the best kept secret," Vázquez said. "We think there's great potential for growth, but we'll need to organize our strategy and finance it."

Though the company has bootstrapped its journey so far, it plans to soon seek a financial round of about $6.5 million.

The company competes against ai Developers and iPad Software Development.

Facing a market worth more than $300 billion, the company's solution comes at the perfect time.

"This market will grow enormously, and there will be a large demand for our hassle-free technology," Vázquez said. "We've seen quite a phenomenon in business applications, and we're perfectly positioned to meet that demand."

Improve Digital

Company: Improve Digital
URL: www.improvedigital.com
CEO: Joelle Frijters
Sector: Computers/Software/Technology
Country: Netherlands
VC$: Yes

Running an advertising campaign takes plenty of hard work. In a traditional ad campaign, the manager must contact five to 10 media owners, and negotiate price, content and a contract for each spot. It's extremely inefficient and expensive, especially as the world of advertising, from TV to the Internet, becomes increasingly fragmented among splintered audiences scattered across a variety of mediums.

Improve Digital helps clients build their own private ad exchange and ecosystem so that process becomes automatic. The company has build a deeply integrated network for ad placement by connecting advertisers with web owners in a complete platform that optimizes and controls their entire advertising ecosystem.

"We used to visit travel agencies 20 years ago to plan a trip that we can now connect to on Expedia. We work like that, but for advertising," said Joelle Frijters, Co-founder and CEO of Improve Digital. "With a few clicks, a campaign can connect to multiple audiences. And owners of ad campaigns can connect with thousands of buyers."

Both of the company's co-founders have a rich history in advertising. Frijters helped launch Microsoft's private ad network, while co-founder and CIO Janneke Niessen is in her 42nd startup. After working in the private advertising ecosystem for eight years, the two decided to collaborate on an ad exchange portal in 2007. The technology required the skill of a 25 engineer team and millions of dollars of investment. Improve Digital signed its first customer in May of 2011.

Establishing those cross-channel connections wasn't easy, but it makes a great barrier to entry.

"If you aren't connected to publishers, the ad partners don't want to work with you," Frijters said. "But without the partners, the publishers don't care. It's the chicken before the egg. That's good now that we're established, but it wasn't easy to get into this space."

Frijters estimates that the advertising market in Western Europe alone is worth more than $7 billion, so the market opportunity is huge.

The company serves a community of over 180 ad partners and network agencies, with a customer growth rate of 125 percent for the last two years. The company serves around 1,000 different websites.

"Our typical customer is already a top 10 player in the market, but sees the market changing and wants the best technology to build their own ad ecosystems," Frijters said.

With a revenue growth of 170 percent in the past year, the company earns millions of dollars of revenue in the double digits, Frijters said. The company serves customers in 130 markets in the UK, France, Germany, Spain, and Latin America. Though the company could be profitable today, it has reinvested in its growth, and expects to reach profitability in 2013.

The company has had a Series A round of investment of less than $10 million. The company has already had its exit, with the Swiss-based PubliGroupe acquiring 85 percent of its shares. Improve Digital will continue to operate as an independent entity within PubliGroupe's portfolio.

"This is really a shift in the entire ecosystem," Frijters said. "We're well positioned, and it's difficult for newcomers to challenge us. We have a platform that our customers recommend. We can claim a large market share in Europe and become major players on the global field."

intersec

Company: Intersec
URL: www.intersec.com
CEO: Yann Chevalier
Sector: Software
Country: France
VC$: Yes

Harnessing the full capacity of the text message, intersec is a company that began out of frustration. CEO Yann Chevalier founded the company with a number of friends who were dismayed by the text technology at the time which failed during peak moments such as New Year's Eve when 25,000 messages can be sent out per second.

"We thought it was a shame. A text message is not that long at 200 bytes or so, so why couldn't servers handle the traffic?" Chevalier recalled. "We realized we could develop a value added service platform for mobile channels with a high level of performance. Our goal was not only to improve the quality of existing services such as text, but also open up new innovative business cases as a result of the technology."

The company assembled a team of developers that specialized in C language, and soon realized that much more could be gained through a more effective VAS platform. They then developed a series of VAS platforms to optimize the efficiency of text and collect customer data, which would then be used to customize deals to build greater customer loyalty.

The company developed three product lines. Its messaging service allows for a high capacity of text messages, including ads pushed from marketers to subscribers. Its Loyalty solutions work to retain customers, offering them deals when their SMS card is set to expire to sign back up with the mobile subscriber, for example. Its LBS solutions allow carriers to collect real time data on subscribers in order to make new business cases possible, such as special deals for people in a particular locale or with a defined interest, for example.

The company's technology works. A Kenyan operator in one of the most competitive telecom markets worldwide achieved a 4,101 percent impact of bonus on top-up consumption. The company helped SFR become the first European operator with an exclusive and innovative geolocation service for less than $39,000, while the next cheapest competitor bid $9,100,000.

Founded in 2004, intersec today counts about 40 customers in 20 to 25 countries, with an annual growth rate of 40 percent. The company hopes to push its growth potential to 50 to 80 percent over the next two to three years.

The company has deployed its platform throughout Western and Eastern Europe, Africa and Canada. It recently signed a partnership with MTS, Europe's largest mobile operator, to help with its 72 million installments. It opened offices in Russia, Mexico and the UK. This year, it plans to launch offices in the Middle

East and Asia.

The company has 60 employees, with plans to grow to 100 in the next two years. It has had $11 million in venture funding from investors that include innovacom, SFR, and CM-CIC Investissement.

Set to earn $15 million in 2012, intersec hopes to reach more than $31 million by 2014. And that's just the beginning. With 900 to 1,000 mobile operators in the world, and 30 to 40 added each year, intersec still only leverages 1 percent of the market. While Chevalier acknowledges the company has a lot of work to do to reap its potential, the sky is the limit.

"We are very optimistic, and we don't get to sleep very much," Chevalier joked. "I think we might be hitting our J curve. Our value added proposal is not shared by many competitors. They don't see the value in it, though our customers certainly do." RH

ISIS Papyrus Software

Company:	ISIS Papyrus Software
URL:	www.isis-papyrus.com
CEO:	Annemarie Pucher
Sector:	Computers/Software/Technology
Country:	Austria
VC$:	No

Isis Papyrus unites businesses communications and process management under a single platform in an end to end solution, giving enterprises one resource for all their communication and document needs. The company offers a consolidated, end-to-end solution for inbound and outbound communications and process management. Its business communication platform consolidates business rules, document management and case management, handling the range of business communication, document capture, incoming faxes and outgoing business communications, linking it all into one central business process.

The company offers a business architecture based methodology for process management that automatically discovers and documents every step of user interactive process performed on the entity models, creating a transparency to improve the process and meet strategic goals. Businesses can therefore model, measure and change processes independent of underlying application without the need for separate rules engines or collaborative mapping layers. It provides a seamless consolidation of freely-definable process, rules, GUI, forms, inbound and outbound content objects.

The company's fully integrated end to end platform is based on standard software. The company is the first global software system to use real-time machine learning for automated business recovery, essentially learning complex patterns in large amounts of data through the use of sophisticated algorithms.

"The benefit is you don't have to know any coding or programming," said Annemarie Pucher, CEO of ISIS Papyrus. "While other competitors try to fill the same niche, they offer island solutions that are difficult to consolidate and integrate because you need to program the whole system."

The company today serves over 2,000 corporate clients, and is growing at a 10 percent growth rate. Customers include Chinatrust Commercial Bank, RheinLand Insurance, and the Raiffeisen Banking Group. And that's just the beginning. Founded in 1988, the company only recently began focusing on offering an end to end solution. Since that pivot, the business has had a high spike in demand.

"We are really at the beginning of offering business processes as a total solution," Pucher said. "The question will be how fast we can get the word out that this possibility exists."

Pucher began her career with IBM in software training at IBM Austria and on assignments in UK and Saudi Arabia, and she also managed product marketing in the Austrian electronics industry.

In addition to business communications and process management, the company also has its own app store where it sells apps that are then rendered within the client's business itself.

Headquartered in Vienna, Austria, the company has offices in 15 countries and serves a global market. While a big focus of its market is naturally in Europe, the company also serves Asia, North America, and Africa for a truly global presence.

For ISIS Papyrus, life is good. The company has not had a dime in venture investment, yet today earns a corporate revenue around $79.3 million.

And growth is on the horizon, both in terms of customers as well as employees. The company recently outgrew its office space and had to move into a new corporate office based in Vienna because of the growth of its team.

ISIS Papyrus stands well positioned to deliver businesses into the 21st century, Pucher said.

"People are behind, and they need to modernize," Pucher said. "Those that will be fast to support new channels and better customer support will be the ones that survive and continue to evolve. It's a serious challenge to software vendors for their very survival, but we already have a platform that makes it easy. It's a very good time for the innovative solutions we bring to market." RH

Jfrog

Company:	JFrog
URL:	www.jfrog.com
CEO:	Shlomi Ben Haim
Sector:	Software
Country:	Israel
VC$:	Yes

Every day, developers swap millions of lines of code in a virtual library that becomes difficult to keep track of. By constantly pulling code from the web, any size development team can easily clog the bandwidth pipes, often downloading the same source of code multiple different times as each developer accesses the needed information at a different time.

JFrog produces Artifactory, a binary repository management platform complete with a smart proxy to ensure efficiency and ease of use. Hosted in the cloud, the company's software automatically downloads and stores the needed binary codes, making them available for multiple users from a single source. More than a smart depository, Jfrog provides an interface that simplifies the job of development.

"We are the glue between the development teams," said Shlomi Ben-haim, CEO of JFrog. "When you have a team of 400 developers all going to the web for every line of code, that's a lot of bandwidth waste. We have the ability to easily distribute software to multiple developers through an automatic process."

The company was founded by Yoav Landman and Frederic Simon who shared a consulting background. They understood that developers needed a tool to solve the proxy issue, and started working on an open source solution. With a team made up of mostly engineers, the company developed a matching integration ecosystem. Two years later, the company had an open system used by a wide community that proved its services had a market. In addition to its freemium services for individual users, it then offered a paid enterprise solution as well as a paid hosted solution in the cloud.

JFrog's signed Netflix and LinkedIn as its first major customers in 2010. In 2011, it signed the SpringSource Enterprise Bundle Repository, which gave the company a huge vote of trust and opened its services to new markets. Today, the company serves over 400 customers with over 15,000 installed users and facilitates over 5,000 downloads per month, up from an average of 3,000 monthly downloads last year. The company faces $500 million market opportunity, Ben-haim said. "We're seeing the J curve," Ben-haim said. "Our downloads reflect a wave."

While Ben-haim declined to state revenue, he allowed that the company tripled its revenues in 2011, and had already passed more than half of that in the first quarter of 2012. Ben-haim hopes to see the company reach more than $10 million in revenue next year. A European company, JFrog's majority customer stake is in the US, with some presence in Europe.

It reached profitability in the first quarter of 2011, but has since reinvested in its growth. The company has also had $1 million in seed capital, and seeks to raise another $3 to 4 million round.

The company faces competition from Sonatype and Apache Archiva. Sonatype, however, uses a closed system, while JFrog's Artifactory is open source, and Archiva does not offer an enterprise solution. Plus, JFrog offers the only binary repository management solution that's hosted in the cloud as an SAAS.

"Every developer that evaluates Artifactory immediately understands that he's been living in the cave age," Ben-haim said. "Once you've used a calculator to do your math homework, you never go back. That's the experience developers have when they use our tools." RH

Kiosked

Company:	Kiosked
URL:	www.kiosked.com
CEO:	Micke Paqvalen
Sector:	Computers/Software/Technology
Country:	Finland
VC$:	No

With Kiosked, any image or content is one click away from a cash register. The company creates a content sales and engagement platform that delivers direct ecommerce capabilities from any photo, video, song, web content, or photograph. Its Kiosk discovery platform enables brands to take any content and make it interactive, whether for informational purposes, to make a connection, or prompt a sale. It turns photos, videos, and any other content directly into storefronts.

Say goodbye to banner ads. Kiosked's simple connections yield conversion rates of 10 to 50 times better than any competing solution. The company faces a market worth more than $132 billion, growing in double digits on an annual basis.

"We enable brands to engage with consumers at the moment of impulse wherever they are," said Micke Paqvalén, co-founder and CEO of Kiosked. "Our vision is that anything you see can be yours."

The company came up with the idea for an image click ad platform three years ago, and spent the last two developing the IP with its team of 30 people, mostly engineers. It launched a proof of concept with more than 100 customers as the product worked through beta mode.

Still in beta phase, the company already works with over 3,000 publishers and 10,000 brands. Its average Kiosk has an average of 10 to 20 visitors per second.

And that's just the beginning. With most of its customers based in Europe and a sprinkling in the US, the Finnish company plans a global launch with some of the best known brands. Customers include Angry Birds, Oakley, and Adidas. Paqvalén expects a turnover this year of $5 to 10 million and Kiosked to be profitable. Next year, he anticipates revenues to double or triple. The company shares 50 percent of its recurring revenue profits with the content providers. The company recently raised a $5.75 million round from Kaj Hed, the chairman of Rovio, the company behind Angry Birds.

"We are building user centric solutions that fulfill the original intention of the Internet- to be an interactive global marketplace that's user centric," Paqvalén said. "Instead of just moving people around, we enrich experience and bring services to people directly through the content they are consuming." RH

Klarna

Company:	Klarna
URL:	www.klarna.com
CEO:	Sebastian Siemiatkowski
Sector:	Finance/Banking/Brokerage
Country:	Sweden
VC$:	Yes

Providing nothing but a name and an address, Klarna users shop first and pay later, and only after the merchandise has arrived in good condition at their doorstep. Klarna offers a guaranteed payments solution that doesn't require complex and confidential credit card numbers, long profiles to enter, or any other detail that may throw a user off a purchase.

Proof of the simpler payment method can be found in the average 25 to 30 percent sales boost Klarna's merchants enjoy after implementation, said Sebastian Siemiatkowski, co-founder and CEO of Klarna.

"In most payment methods, anytime anyone buys anything, there's a lot of friction," Siemiatkowski said. "Customers are asked to reveal credit card numbers, complicated information, or forgotten passwords, and that can lead to a lot of missed sales. We want to make buying as simple as a click and as safe as having the item in your hand before you pay for it."

The company's ability to guarantee all merchandise is its secret sauce, Siemiatkowski said. It's able to do this through assessment technology that measures the risk of customers according to a variety of metrics already available on the web.

"It might sound crazy that we can just take a name and address and allow the customers to pay later, but the reality is there is so much data in the online environment that you can easily assess the risk of the transaction," Siemiatkowski said.

Last year, the company processed over $2.5 billion in payment collections, and hopes to double that this year. Based primarily in Sweden, Klarna today serves 25 to 35 percent of the Swedish market, with some extension into the Netherlands and Germany. Customers include Spotify, Nelly.com, and Boardshop. More than 60 percent of its sales today are outside Sweden. That kind of base earned the company over $100 million in revenue last year, and it hopes to double that take this year. And the market is huge. Siemiatkowski noted that if the company could manage a similar market share in Germany, it would earn 10 times the revenues it does now, not to mention potential expansion into the US, Brazil and beyond.

The company was co-founded by Siemiatkowski, Victor Jacobsson, and Niklas Adalberth, who in college had the brilliant idea to travel the world without stepping onto an airplane, relying on boats and trains instead. The three managed to miss their cargo ship in Australia back to the US, and the next one didn't leave for another month. The three decided to continue the trip without an airplane, delaying their studies. Between semesters, Siemiatkowski got a sales job for a building services firm, and saw first hand the difficulties merchants had retaining customers through traditional payments. Determined to not miss the boat again, Siemiatkowski came up with the idea for Klarna, and pitched it for the incubation program at at the Stockholm School of Economics. The three founders decided to give the company six months, which soon became seven years as the company propelled itself to success. It first tried the platform seven years ago with a successful sales shop, which immediately saw a 25 percent boost in sales as a result.

Klarna has had about $200 million in investment from DST Global and General Atlantic. The company's prior $9 million financing round came in May 2010 after Sequoia Capital. Siemiatkowski is not focused on an exit. "With the huge growth potential we face, we're really looking at building this into a long-term company," he said.

The company's competitors include PayEx, Billpay, and AfterPay.

Payments can be a tricky space to leverage, Siemiatkowski concedes, but the company's already established footprint with merchants and customers have helped to solidify its position.

"What we've done for the last seven years has not only been successful, but its built up a lot of expertise on how to continue our success rate," Siemiatkowski said. "It's given us solid ground for successful growth, and we've only begun to tap the markets. We have exciting days ahead." RH

MagnetU

Company:	magnetU
URL:	www.magnetU.com
CEO:	Yaron Moradi
Sector:	Mobile
Country:	Israel
VC$:	Yes

Facebook and Twitter might open new social universes, but they don't replace the neighborhood restaurant, coffee shop, or bar when it comes to face to face interaction. There is little connection between our virtual connections and the people we meet on the street. Literally designed to wear your social network on your sleeve, ma gnetU strives to connect the online, virtual world with the real one. Users establish their social profiles through a PC, which is then connected to a magnetU badge, which uses short range wireless technology. Its designed to connect GPS without wearing out a cellphone battery. People wear the badge as they head out the door, and are alerted when anyone in the vicinity makes an ideal match, based on stated social interests, rated anywhere from "Attractive" to "Hot" to "Red Hot."

With attention paid to safety, all users' identities and whereabouts are anonymous until they choose to connect. If they meet and hit it off, they can toast a "cheers," in which each person simply clicks their device and taps it to another user. When a blue light flashes on the device, they are connected in the system where anything from contact information to instant messages to complete music and photo collections can be instantly shared.

And just as we all wear different identities, magnetU creates a variety of social profiles for different social interests, from professional to friendship to potential dating, depending on the occasion. The platform is developer friendly to encourage further social apps.

MagnetU creates what the company's co-founder and CEO Yaron Moradi described as "the next evolution in social," connecting the physical and online universes in a way that can completely change how people connect and interact.

Moradi was inspired to launch magnetU while attending a conference on short range wireless technology. During coffee breaks, he noticed many people off to the sidelines, not talking to each other, despite the fact they had paid expensive conference fees for an opportunity to connect with other like-minded people in the industry. He wondered if he could create a "digital sixth sense" that could establish such interest to get the conversation rolling.

Moradi teamed up with Pinchas Ziv, an expert in short range wireless who held senior positions with Motorolla and Ultracom. They launched magnetU in 2010 out of Moradi's basement. They developed the technology with a team of 10 engineers, running simulations with test users in parks to work out the bugs. The company is currently in beta, with a plan for a full commercial launch next quarter.

The badge itself costs $24, providing the company immediate revenue when it goes to market. What Moradi is most excited about, however, is the potential for brands to create "a new world of micro advertizing through proximity."

MagnetU's potential, however, depends on user traction. Declining to state specifics, Moradi allowed that the device would soon have more than a thousand users, with considerable expansion following next quarter's planned market launch. He expected the company to reach the break even point in the next 18 months. Having recently changed its marketing strategy, the company's next focus is bringing magnetU to Japan. He declined to state potential revenue figures.

MagnetU recently received Apple approval, becoming the first wearable social device to support iOS and Android.

Based in Israel, the company landed several hundred thousand dollars in angel investment and seeks a $2 million round to help get it to market. The company competes against Foursquare, but takes the technology up a notch through a wearable device that encourages new connections and interactions, rather than Foursquare's approach to simply connect location to an already established friends list. RH

Mapflow

Company:	Mapflow
URL:	www.mapflow.com
CEO:	Bill McCarthy
Sector:	SaaS
Country:	Ireland
VC$:	Yes

Insurance underwriters constantly seek new sources of data on the items they insure. Mapflow compiles data on geography, weather, floods, fire potential, and a variety of other risks for any point on the earth, and delivers it to insurance underwriters in an easy to understand modeling service through a SaaS, cloud-enabled solution.

Keeping track of this complex spatial data involves the management of huge databases handling millions of policies and layers of peril maps, complex insurance regulations and real time policy changes, an entangled web where the truth can get lost in the details. Mapflow compiles that data into an easy to use interface that simplifies the decision making, based on a spatial reference. Using traditional approaches, insurance companies have very little data based on a spatial, location reference, and rely heavily on gumption. Mapflow instead provides real risk data based on spatial location.

"Insurance is making great strides in embracing newer technology infrastructures," said Bill McCarthy, CEO of Mapflow. "We are at the forefront of that change, while maintaining our 'keep it simple' principles"

Proof of the platform is in the statistics. Mapflow's location intelligent solutions enable underwriters to save 75 percent of their research time by providing an easy way to find answers. Its clients achieve a 50 percent reduction in flood exposure, and a 70 percent reduction in underwriting referrals. The average customer also regains a .7 percent revenue leakage due to incorrect rate setting. Plus, the number of cases an insurance company can automate vastly increases, saving time and money.

Such value has led to an accelerated growth of more than 50 percent per year for the last four years. The company today serves over 20 clients, mostly insurance companies in the UK and Ireland. It has branched out in recent years to expand into Canada, Central Europe and South America. Customers include AXA Insurance, Hiscox, and RSA Insurance.

"To date, our solution has been primarily a localized control and pricing service," McCarthy said. "Our customers are now interested in fully understanding their risks on a global basis, so our service is moving from a national theater into a global theater, leading to recent contracts spanning the global operations of some of the world's largest insurance companies. "

The Dublin-based company has had $11.7 million in venture investment from SOS Ventures Investments and other investors. It currently funds its needs from its profitable revenue stream. The company employs 35 people, and expects to grow to 75 in the next three years. The company was founded in 1997. It has offered solutions to the retail, banking, telecoms, transport and insurance industries, before deciding to concentrate solely on the insurance industry in 2007.

McCarthy estimates the market to be about $150 million and expects the company to be able to leverage at least 25 percent of that.

"We've had a great run with strong growth these last four to five years without a hiccup," McCarthy said. "That gives us confidence that not only is our product good, but our delivery and reputation is strong. We've created a position that gives us every confidence in our ability to keep our business surging."

The company competes against Risk Intelligence Ireland. RH

Miracor Medical

Company:	Miracor Medical Systems
URL:	www.miracormedical.com
CEO:	Jon H. Hoem
Sector:	Life Sciences
Country:	Austria
VC$:	Yes

One in three heart attack patients suffers from impaired blood flow to the heart tissue. More than 3 million patients are treated for restricted coronary blood flow every year. More than 10 percent of these continue to have poor heart tissue blood flow even after successful balloon angioplasty or stent placement.

Thanks to technology under development by Miracor Medical, these patients may soon face better odds of successful recovery following a heart attack.

The company's PICSO Impluse System can be used during balloon angioplasty, stent placement or other methods for improving coronary blood flow. The device uses a balloon to tightly control blood pressure and improve blood flow to the damaged tissue.

"Heart patients 35 to 60 years old may not be dying of a heart attack, but their heart is weakening nonetheless," said Jon Hoem, CEO of Miracor. "If the flow is not increased to the heart, even if they don't develop heart failure, the heart will pump less and have less of an effect. This costs society billions of dollars per year. We seek to improve the quality of these patients lives."

A clinical proof of concept indicated the device works. The apparatus was put into a patient this past April with good results. The company is now conducting a 30-patient multicenter clinical trial that will later lead to a randomized study. While the device has been approved for the European market, the company must first wait for clinical results to better market the device. It has just begun seeking USDA approval, which it expects to get around 2014 to 2015 with a product launch in the US soon after.

Estimating the market opportunity at $1 to 2 billion per year, Hoem expects the company to leverage 50 percent of that in its first five to six years of sales, and to capture the remaining market in the next 10 years.

"We'll need to team up with some of larger players to really penetrate the market," Hoem siad. "Nevertheless, we see a clear need for this technology."

The technology was developed by Werner Mohl , a cardiac surgeon who has been working on the solution for more than 20 years. He described his approach in a whitepaper, and the company tested it in animals six months later, with a proof of concept formed n October of 2009. The company had held a clinical test on 15 patients in 2011. In total, about $7.15 million was spent in development.

The company expects $520,000 in sales this year, $1 million in 2013, and then $3.9 million in 2014. It expects to reach profitability in 2015 to 2016.

Based in Austria, Miracor Medical has had $20.93 million in investment in a combination of venture capital and government grants from Early Bird, Delta Partners, and SHS.

It's been a long process, but one that will greatly improve the lives of millions of heart patients. "Persistence is what we've followed to get to our current stage," Hoem said. "We are really dedicated to helping these patients. There's no better way to fix a broken heart."

The company competes against Ash Access Technology and Anesiva. RH

Miradore

Company:	Miradore
URL:	www.miradore.com
CEO:	Kristian Järnefelt
Sector:	Computers/Software/Technology
Country:	Finland
VC$:	Yes

Miradore specializes in device lifecycle management, providing an all-in-one solution for software deployment, asset management, license management, mobile management and bare metal installation, where backup is restored without requirements to the previously installed software or operating system. Unlike competitors which offer single point solutions, Miradore's platform handles all reporting, monitoring, backup, incident and power-management under one roof. The company's solutions can incorporate any device on any platform.

"We're not a one trick pony," said Kristian Järnefelt, CEO of Miradore. "We place a range of capacities into one package on a single platform. Our go-to solution is a service model designed to allow multiple service providers to share resources and really gain economies of scale."

Such efficiency allows service providers to launch a totally integrated service delivery platform in days rather than weeks.

A spin-off of UPM, the company was born in the face of real need. A Fortune 500 company that manufactured pulp, paper and timber, UPM needed to manage the lifecycle of nearly 30,000 different devices, but could find no solution on the market that covered every aspect. Paul Palojärvi and Mika Liukko, who were employees of UPM at the time, decided to invent their own, founding Miradore in 2006.

"Miradore was built by people who personally experienced the pain on a daily basis of managing an environment that was becoming increasingly fragmented," Järnefelt said.

The company released the first version of its software in 2007, signing up UPM as its first customer. Constantly evolving, the company releases an average of four new versions of its software a year, and just released version 3.2 that includes access to mobile devices.

Today, the company serves over 200,000 end users, mostly based in Finland with recent international expansion to include Singapore, Hong Kong, Brazil and Australia. Growth has been rapid, with revenues doubling over the past year. Currently, 50 percent of its customers come from outside Finland. By next year, Järnefelt expects nearly 89 percent of the company's business will come from international markets.

The company currently earns $1.3 million in annual revenue, which it soon expects to grow to $2.6 million. By 2014, Järnefelt anticipates the company will be earning $15.6 million.

Much of that growth is attributable to the growing bring-your-own-device-to-work trend, as well as the sheer number of devices available, Järnefelt said.

The company received $1.3 million in investment from the Washington Research Foundation and Summit Capital. It is currently working on raising another $2.6 million to fuel its expansion.

Though the company could be profitable in the next three months, it will likely choose to reinvest in its growth and postpone profitability for the next several years. By 2014, Järnefelt expects the company to be earning tens of millions of euros. "We are looking to build a great, profitable company," Järnefelt said. "We plan to build this company to a capacity that brings a high likelihood someone will want to acquire it." RH

Mobango

Company: Mobango
URL: www.mobango.com
CEO: Anupam Mittal
Sector: Mobile
Country: United Kingdom
VC$: Yes

Mobango provides the first Universal Mobile Community to all cell phone users to publish, convert and share with friends user generated content such as videos, photos, ringtones, applications, and games quickly and easily. Material is uploaded to the PC and converted by Mobango to be adapted to the cell phone in just a few steps.

The company's catalog features 100 apps across all platforms. Its platform has had over one billion downloads from 8 million users and is supported by a community of 40,000 developers.

Originally based in the UK, the company was acquired last August by People Info.com, an Indian mobile company with an extensive media portfolio, for several million dollars. As a result of the sale, Mobango joined another People Info.com company named Mauj Mobile. The Mobango purchase will serve to give the Indian mobile company a more international presence.

Mobiletag

Company: Mobiletag
URL: www.mobiletag.com
CEO: Alexis Helcmanocki
Sector: Computers/Software/Technology
Country: France
VC$: Yes

Mobiletag envisions a world of invited advertising, otherwise known as Point of Interest Media Services. The company provides a complete end to end QR tagging system, including an app that can download just about any barcode and a code management platform for brands to manage QR code campaigns. Through a special partnership with AT&T, Mobiletag's app is included in every AT&T smartphone except for the iPhone, and has been downloaded over 15 million times. The company has eclipsed that number in France, its native country. In America, the app is known as the AT&T Barcode Scanner, and in France, as Mobiletag.

Through its point of interest tags, Mobiletag essentially creates "the antidote to push advertising," said Frank Kelcz, Head of Strategy for Mobiletag. "It's the difference between an intrusion and an invitation. This fundamentally changes the world of advertising. In a moment where everybody is talking about the engagement economy, this is a way of starting the engagement on the right foot."

More importantly, Mobiletag delivers rich data on who is downloading the codes. More than 60 percent of the app's users are willing to share age, sex and zipcode in exchange for better offers, Kelcz explained. The company combines that data with location and previous scanning history to deliver consumer demographics. The company can pinpoint when a user responded to a campaign, what zip code they were in, and what they purchased, providing brands honest data to the effectiveness of their campaigns. "Our intention is to become the best integrator of quality technology in an app," Kelcz said.

So far, Mobiletag and AT&T have focused mostly on small customers, though they have done a few experiments on larger customers as they test and hone the app. The companies serve close to a couple hundred customers. Mobiletag has more than doubled its revenue in the last year.

Founded in 2006, Mobiletag began as a spin-out of Abaxia, a leading France-based software developer that specializes in mobile handset software solutions that was acquired by XTC. Abaxia had experimented with image recognition and QR codes, and Mobiletag launched as an independent entity to sell the technology. The company launched its first mobile application, a 2D barcode reader for the iPhone, in October 2009. Every carrier in France bought the solution, and Mobiletag effectively became the standard barcode reader in France.

Now Mobiletag hopes to achieve the same in the US through AT&T, which serves as an ideal channel partner, Kelcz said. "If AT&T is successful with our app, we feel we can package it and go to any carrier in any country and be able to sell it," Kelcz said. "We'll likely use AT&T as a boomerang to go back to Europe and solidify our position on the continent."

While the company currently earns several million dollars in revenue, Kelcz sees the opportunity to become a several hundred million dollar company if AT&T's plans prove successful. "If we get this right, we'll become the defacto leader in the world for point of interest services," he said.

Mobiletag has raised $13.6 million in venture investment from S.E.B. Ventures, XAnge Private Equity and Alven Capital. Kelcz expects the company to break even by the first quarter of next year. It competes against Scanbuy and Occipital. RH

Modz

Company: Modz
URL: www.modz.fi
CEO: Salla Koski
Sector: Life Sciences
Country: Finland
VC$: Yes

Modz strives to make the friends of kids that have diabetes jealous. Founder and CEO Salla Koski based the company's point of care technology on graduate research she did for her Master of Arts in Industrial Design. She knew she was onto something when a young child with diabetes who had helped test the device gave her a congratulatory hug. "Everyone in my class now wants to be a diabetic," she told Koski. "You've made diabetes fun."

The company does so by turning diabetes into a game, explained Carina Rajala, CFO of Modz. The company's blood glucose meter uses game like features and other motivational techniques that make keeping track of blood sugar levels fun. The child tests their blood using traditional methods, and then uploads the data into the device. The information is then transmitted into the cloud without the hassle of cables. Parents can easily check their child's progress and offer encouragement. The children are rewarded for regular checks with points. Best of all, children are no longer stigmatized, as the process tweaks the curiosity of their classmates in a way that actually makes diabetes seem glamorous, Rajala said.

"We wanted to create a technology so cool that everyone would like to be a diabetic," Rajala said. "Children don't like to check their blood in front of their peers, but this turns the whole thing upside down. They actually get to show off instead."

Koski was inspired to start the company from her work as a physiotherapist. She grew tired of seeing her patients continually returning with the same problems, many of which were a direct result of lack of motivation on the part of the children to follow through on their daily care. As she studied the problem, she realized that having a mobile platform was key to improving the continuity of any treatment. She completed her thesis based on the work in 2006, and founded Modz in 2009. After further studying the problem, the company launched into R&D in 2011, spending a year and half developing the technology. The company expects to soon get EU approval and be on the market in the first or second quarter of 2013.

The company will first launch in Finland and Sweden in order to further test the market and the technology before branching into Europe and possibly the US, though it has yet to formulate a strict plan for its international approach.

The company has had nearly $2 million in venture investment, and seeks to raise another round by the beginning of next year.

Rajala estimates that the company faces a billion dollar opportunity. She noted there are about 500,000 type 1 diabetics between ages 1 to 16 in the world.

"This will turn the whole diabetes treatment field around," Rajala said. "Our main challenge is that we have some big competition, but we are agile and have the user in the center. Fundamental to our device is usability. We make it easy and fun."

Mostly, Rajala feels optimistic because of the feedback the company has gotten on the device, as well as her own experience. A diabetic herself, Rajala uses the device for her own treatment. "I am absolutely sold," she said.

Diabetes management stands to be disrupted by technology. Modz takes a creative approach that appeals to kids, and that could give the company its edge in a rather crowded marketplace. RH

Morflora

Company: Morflora
URL: www.morflora.com
CEO: Dotan Peleg
Sector: Biosciences/Biomedical
Country: Israel
VC$: Yes

Like humans and vaccinations, even plants need a good shot in the arm. Morflora is developing a non-transgenic trait delivery platform for seeds. It effectively can transmit traits and protections to the plant without changing its genetic structure or passing the traits onto offspring. It does so by cloning the trait into its novel TraitUP™ vector, not into the plant itself, providing a vaccination like protection that is not cloned into the DNA of the plant, avoiding bio-engineering issues.

"Morflora is a game changing, ag-biotech startup," said Dotan Peleg, CEO of Morflora. "Our main innovation isn't the genes, but the fast and effective delivery of the traits via seed treatment."

The traits are cloned within the TraitUP™ vector in a week-long process. The TraitUP™ vector is then applied to the seed, in a seed treatment which takes another week. In two weeks, the company can produce trait-enhanced seeds that can save years of breeding efforts. The technology will also lead to easier gene discovery for further market possibilities. The platform is also ideal for the seed companies and the seed treatment market.

The company's technology was developed through research at the Hebrew University of Jerusalem under Professor Haim Rabinowitch and Professor Ilan Sela, and licensed to Morflora by Yissum, the tech transfer arm of the university.

Growing better plants will soon become a matter of food security because of the global population demand, Peleg pointed out. Global demand for agricultural produce will double within the next 10 to 15 years, while food prices have grown 100 percent in the past three years.

"The solution to catch up with growing demand and solve these issues will have to come from agri- biotech," Peleg said. "This can replace the use of chemicals and improve food supply without harming the environment."

Peleg pegged the agriculture biology market at $6 billion and rapidly growing. The seed treatment market will be worth $3.4 billion in 2016, according to a 2008 Phillips McDougal report. By combining genetic traits with seed treatment, Morflora effectively creates a new segment Peleg called genetic seed treatment, easily a multi-billion dollar market in the next decade. The company hopes to dominate this market well into the next century.

Still in an R&D, the company strives to be able to deliver any trait or gene into any seed in the next 12 to 48 months. Its tests have so far indicated the product is safe and poses no harm to the environment. The company will have a pre-submission meeting with the EPA this year, and has sponsorship from the US Department of Agriculture in its US regulation process. The company hopes to have a product on the market in the next three to four years.

The company has received $5 million in investment. It's currently seeking a new round to help boost its product to market.

If all goes well, the company hopes to achieve $50 million in revenue within the first several years on the market. Morflora plans to become a partner of choice to the seed companies, while creating a global market leader position. The company anticipates its enabling technology to further boost the already strong seed treatment market , creating a new category for trait delivery via its novel treatment.

"If you look at the mega trends affecting the future of this industry, you can see it striving for innovation while dealing with mega-billion dollar problems," Peleg said. "The time for Morflora to step into this market with a viable solution is just perfect."

The company competes against Monsanto, Bayer CropScience and Pioneer. RH

Neos SpA

Company:	Neos
URL:	www.mobc3.com
CEO:	Dario Melpignano
Sector:	Mobile
Country:	Italy
VC$:	Yes

Neos SpA produces Neosperience (formerly mobc3), a platform that allows companies to easily create native mobile apps in the customer experience management domain. The company can automatically create an app based on a simple PDF catalog or brochure. For no hassle and minimal expense, the company provides businesses easy access to the mobile revolution, a $50 billion market opportunity growing at a 7 percent annual growth rate by 2015, according to Gartner.

"Neosperience is unique in solving a blatant, urgent and critical need: creating apps to support customer experience processes - catalogs, sales, loyalty, location-based marketing, commerce - which is considered the next big wave after the PC-based web in the next 5 years," said Dario Melpignano, Ceo of Neos SpA.

Cloud-based, Neosperience is built on a scalable platform to create apps that include personalization and context awareness through profiling based on Facebook and geo-location features. It delivers preconfigured sell-side business processes across all devices in an easy to use platform, as well as full-fledged customer experience apps in SaaS. The product includes five platforms and 12 modules that enable infinite app combinations, interactive product catalogs, context-aware commerce, lead generation and loyalty marketing, 3D and augmented reality, QR Codes and NFC, customer insight and analytics. The company's platform saves its customers 90 percent of all development costs.

Founded in 2007 as a spin-off of DNM-FullSix, Neos launched Neosperience as a web-kit enabled platform, creating its first app for the Italian bank Banca Popolare di Vicenza. The founders soon realized that the process of building an app could be preconfigured, and designed the platform to streamline the process. In 2008, the platform supported the iPhone3G as the company created the first apps for the phone in Europe. Important publishing and television apps followed. In 2011, the platform was chosen by the Oracle Corporation to develop the first pilot projects to extend Oracle-Siebel CRM and Oracle-Siebel Loyalty to the mobile channel – working with SJ (Swedish Rail), Caisse d'Epargne and Carrefour. Its platform was then chosen by Disney for its mobile digital publishing.

Microsoft's ISV strategy lead Carlo Malaguzzi, responsible for that company's cloud app ecosystem, is currently helping Neos launch the Windows Phone version of Neosperience this autumn, timed with the new Windows Phone 8 Release.

Offering a SaaS model fully based on cloud infrastructure, the company sells through channel partners including web agencies, system integrators, ISPs, Telco's. Organizations create their apps online based on Neosperience standard products customized by an App Creation Environment (ACE), with no coding required, - to target their customers - both direct and through channel partner agreements - creating a revenue stream of $130 to $1,300/month/customer, recurring.

Today serving over 300 customers, the company has only began to roll out its self-service model for small to medium businesses. Though Melpignano declined to share growth rates, he allowed that the self-service platform is steadily ramping up.

Profitable since inception, the company invests a great deal of its margin into product development. Its team includes 25 people, mostly engineers. Evolution of the platform remains critical to keep up with technological and market trends, Melpignano explained. The platform must keep up with changes in the various operating systems, as well incorporate HTML5, he said.

Melpignano and a partner have invested $6.5 million of their own money into building the platform, and the company raised a $1.95 million round last year. It is currently seeking additional financing for product development.

The company earned $2.6 million in 2011, and expects to double its take this year. RH

Netbreeze

Company:	NetBreeze
URL:	www.netbreeze.ch
CEO:	Francois Ruef
Sector:	Internet & Services
Country:	Switzerland
VC$:	Yes

Netbreeze analyzes the winds of social media, summarizing online public discussions so that companies can make sense of Twitter, Facebook, and YouTube data.

"Online publishers used to be the gatekeepers, but in the world of social media, they are having a very hard time," said François Ruf, director and founder of Netbreeze. "There is so much data being created in social media that it's hard to make use of the knowledge. We help them make sense of it all."

Ruf's master thesis focused on artificial intelligence when he studied theoretical physics at ETH Zurich. He founded Netbreeze in 1998 in order to use the Internet as a global database.

Netbreeze's technology focus on data aggregation and analysis. It surveys all public data, and then uses proprietary technology to summarize the discussion in order to follow the conversation of trends. Not only does it reconnect its customers to the social media world, but it essentially makes its clients money for free. Netbreeze summarizes social media discussions on specific subjects, creating direct links to articles that earn its clients page impressions, practically currency on the web. It earns its clients money by turning a one page impression article into 10.

The company began in the b2b sector, but has since expanded to b2c segments through online publishers.

What sets Netbreeze apart from competitors is its multiple language platform. While most companies in the social media space only focus on English speaking markets, the company's Swiss background demanded a variety of languages from the start, which allows it to serve a wide segment of regions and cultures, including English. Most of its clients are from Germany and Switzerland, with a recent expansion into Brazil through the country's largest publisher. Its competitors include Radian6, Attensity360 and Collective Intellect.

The company currently serves more than 100 b2b customers, including eBay, Swiss Re, and UBS. It recently launched its b2c market with a community of thousands of social media pages. Continually growing, the company expects to earn $2.6 million in 2012. In the next three years, it expects to earn $40 million to

$65 million

Netbreeze has had $3.9 million in venture investment from Ammer Partners that it has used to scale its platform. It is currently looking for a new round of $3.9 million to $6.5 million in order to expand its b2c community.

"That community has been growing so fast that we have invested quite heavily in its growth," Ruf said. "It's incredible how fast big data in social media has grown. Our customers rely on us to get a handle on it because it provides so many possibilities."

The company expects to expand internationally through channel partnerships, including a channel partner for the South American/US market , and vertical international partners for market research, media, finance and social crm.

The company continues to expand its development to be able to access more information and make smarter sense of the data. While larger entities like Google could threaten the company competitively, its deeply connected platform would be hard to recreate, Ruf explained.

"Google can copy just about anything if they want to, but our strategy has created a considerable ecosystem that's not easy to replicate," Ruf said. "A competitor cannot quickly catch up in this ecosystem. It's not only an issue of technology, but how many reports and summaries you have in the system. We are spread all over the place, and it will be very difficult for a competitor to replace us." RH

Network Critical

Company:	Network Critical Solutions
URL:	www.networkcritical.com
CEO:	Alastair Hartrup
Sector:	Hardware
Country:	United Kingdom
VC$:	No

Alastair Hartrup launched Network Critical in 1997 to provide a better way to access network data traffic. The global company creates products designed to provide flexibility through a modular design that offers passive access to the network infrastructure without the concern of failure or downtime. The company's advanced network infrastructure access includes a dedicated chassis & module-based systems with features that support today's many different monitoring needs.

The company has managed to grow from a small startup to a more expansive operation in just a few years. In 2005, the company expanded with a second office in Buffalo, NY to handle all sales and operations for the United States, Canada, Mexico and South America, and launched an Amsterdam office in 2007 to serve Eastern Europe and Asian markets. The company is based in the UK.

A leader in network access technology, the company enables 1 Gigabit to 10 Gigabit Network Access for better continuous network visibility. The 1G to 10G TAPs are used with IDS, IPS, network traffic monitoring tools, sniffers and more, to provide complete network visibility with zero packet loss. Customers include First State Bank and Trading Cross Connects. RH

Neul

Company:	Neul
URL:	www.neul.com
CEO:	James Collier
Sector:	Telecommunications
Country:	United Kingdom
VC$:	Yes

Neul transforms wireless data communications through a disruptive technology that uses white space radio to access the high quality spectrum needed for a truly ubiquitous wide area network. The technology takes advantage of TV channels that are no longer used in the switch from analog to digital television, freeing up to 150MHz of high quality spectrum. Comparatively, typical nationwide 3G networks have to make do with only 30MHz of spectrum. While 3G spectrum costs billions of dollars, white space radio spectrum is available free of charge.

The network has been specifically designed to be data only in order to support the upcoming explosive growth in wireless data. Its technology does not have an alternative system that comes close.

Founded in 2010 in Cambridge, UK, Neul is the first to produce a specific white space wireless network. Its products are the first and so far the only radios that fully meet the FCC white space radio specification. The new approach minimizes the costs of spectrum, network infrastructure, backhaul, maintenance and deployment, enabling customers to run and support their own networks. Its an ideal solution for rural broadband as the technology works well in remote regions.

Neul specifically targets Machine-to-Machine (M2M) communications. Credible industry predictions suggest that there could be up to 50 billion M2M connections by 2020. The company has raised $5 million in venture investment from Mistui & Co. LTD subsidiary MGI, DFJ Esprit, IQ Capital, Business Angels and founding company employees.

The company partners with Microsoft. RH

NewVoiceMedia

Company:	NewVoiceMedia
URL:	www.newvoicemedia.com
CEO:	Jonathan Gale
Sector:	SaaS
Country:	United Kingdom
VC$:	Yes

NewVoiceMedia provides contact center technology as a true cloud service over the Internet, following the business models of Amazon, Google and salesforce.com. It enables enterprise class contact center functionality, at a fraction of the cost of traditional systems.

The company creates a network that delivers calls via existing telephone infrastructure to maintain a higher line quality. It also uses the Internet to pass along previously collected information related to the caller to the call center for greater marketing potential. It serves small businesses with a few employees answering phones to large corporations and multi-site contact centers with hundreds of agents.

The technology requires no specific hardware requirements, with all calls managed through a telephone and web-connected computer. The monthly subscription fee covers support, upgrades and maintenance, offering greater flexibility, simpler management, and better visibility that is cost efficient.

Customers include Berry Bros & Rudd, SHL and Signaling Solutions.

Last May, the company announced a 400 percent year on year growth, earning $1.6 million for the first quarter of 2012, compared to $400,000 the previous year. Customer growth has been 40 percent.

The company has received nearly $4 million investment from Notion Capital and Eden Ventures. RH

Nordeus

Company:	Nordeus
URL:	www.nordeus.com
CEO:	Branko Milutinovic
Sector:	Software
Country:	Serbia
VC$:	No

Based in Belgrade, Serbia, Nordeus is a social gaming startup that claims to be the best European gaming startup of 2011, with its game Top Eleven ranking as the most played online sports game in the World, with more than 6 million monthly and 2 million daily users on Web, Android and iOS devices. The company strives to make a seamless gaming experience regardless of the device. Its games are used by millions of people every day. The company was founded in 2010 by ex-Microsoft employees Branko Milutinovic, Ivan Stojisavljevic and Milan Jovovic. Self-funded, it has 75 employees. The company was ranked among the 25 hottest European hi-tech companies by Techtour in 2011. RH

NovaStor

Company:	NovaStor Software
URL:	www.novastor.com
CEO:	Stefan Utzinger
Sector:	Software
Country:	Switzerland
VC$:	No

In an age where data backup is as essential as paying the electricity bill, NovaStor makes backup and recovery as simple as flipping a switch. The software vendor provides NovaBACKUP, a platform for managed service providers to offer backup as a service, cloud backup or manual backup in an automatized, user friendly system, vastly simplifying the job of the IT staff. The company offers a complete, end-to-end single solution for private or public clouds, allowing its clients to use any hardware or storage platform, including mixed models. It provides platform and online backup, as well as local backup and disaster recovery. The solution is completely white labeled, easily customizable as clients can simply add on APIs and their own software to create the recovery they want. The company works on a revenue subscription model. It provides software only, with the clients responsible their own data centers.

"Companies who are too small or cost intensive can now get rid of local backup infrastructure," said Stefan Utzinger, CEO of NovaStor. "We make it easy to use an off-site backup solution without any hassle. Rather than just system integrators, we enable anyone to restore the files through as simple, easy to use system."

Such an approach should give the company considerable advantage in the $12.5 billion storage software market, predicted by IDC to grow 30 percent in the next three to five years. The company currently works with more than 1,000 managed service providers, each managing about 2 to 10 terabytes of data. Customers include DataStor, Fasthosts, and DuPage. The company's growth rate has been 35 percent for the last three years.

"We have a good market standing in this particular market with a strong global presence," Utzinger said. "We have very successful customers with us, and we only make money when they do. Our customers are happy with what we are providing, and when people change jobs, they take their loyalty to our products with them. A lot of our growth has been word of mouth."

Founded 20 years ago, NovaStor pivoted in 2006 to solely focus on the development of backup and restoration software, achieving its first customer in the space about 10 years ago. Its team of 30 engineers has been working on the IP for the past 10 years, and released a new generation of the technology four years ago.

"It was not an easy solution," Utzinger said. "While there are new startups coming into this market, they simply don't have the capability of our software."

Based in Switzerland, the company has international presence in the US, Germany, and Finland, with customers all over the world, though the US and Europe remains its biggest focus.

The company earned over $10 million last year, with a goal of growing to over $35 million in the next few years.

And it's done it all one a dime, with no venture capital investment. That puts the company in a unique advantage as it reaps the benefits of this evolving market.

"The data will grow, and we have an ideal solution to back it up in a simple way," Utzinger said. "We don't need to push our partners or our people, and we have no investors to answer to. We have no outside pressure, and the market is ours to play for keeps." RH

NovImmune

Company:	NovImmune
URL:	www.novimmune.com
CEO:	Jack Barbut
Sector:	Biosciences/Biomedical
Country:	Switzerland
VC$:	Yes

NovImmune is a drug discovery and development company that develops therapeutic monoclonal antibodies for the treatment of inflammatory diseases and immune-related disorders. The company has created seven monoclonal antibodies in pre-clinical and clinical compounds that have the potential to become multiple medications. Five are in early clinical development, while other two have reached the most advanced stage before going to market.

The compounds use two unique and proprietary antibody generation platforms designed to streamline identification, production and characterization of fully-human anti-bodies. Its monoclonal antibodies mimic the bodies own response to disease and infection. Two internal bispecific antibody programs have already began testing.

The company was founded in 1998 by Dr. Bernard Mach, an inventor of cDNA cloning. A renowned immunologist, he understood the collateral damage cause by disease responses typically occurred late in the stages of disease. While traditional drug treatment largely focuses on treating late stage symptoms, Dr. Mach began NovImmune to discover and create compounds which treated the disease earlier, attacking and treating the cause of the disease instead of the resulting symptoms after the fact.

The company has raised at least $146 million from BZ Bank, Pictet Private Equity Fund, Novaritis Venture Fund, Ingro Finanz, Patinex AG, Varuma, and Aravis. The company was awarded the European Biotechnica Award in 2009. It formed a partnership agreement with Genentech/Roche in 2010 to co-develop its NI-1401 compound, which has just entered Phase I clinical trials. The company is based in Geneva, Switzerland, and holds ties with the University of Geneva. RH

OnApp

Company: OnApp
URL: www.onapp.com
CEO: Ditlev Bredahl
Sector: Computers/Software/Technology
Country: United Kingdom
VC$: Yes

OnApp provides a complete hosting, integrated cloud storage platform that's one of the few commercial cloud management platforms designed specifically for service providers. More importantly, the company holds an unparalleled footprint in the industry, serving over 400 service providers across 35 countries. The company powers an estimated one in three public clouds around the world.

Interestingly, many of these service providers had excess space in their clouds sitting around doing nothing but depreciating. In August of 2011, OnApp decided to open a marketplace, offering on demand content delivery services that could be rented for several days, hours or weeks and be established in a matter of days. Service providers with extra capacity suddenly had a new revenue stream, while those in need could establish cloud services in OnApp's cloud storage footprint, which is just about anywhere in the world. The company meets storage needs in North America, Northern Europe, the Middle East, and Asia-Pacific. It even serves one customer in Iceland.

With more than 65 points of presence, OnApp CDN is already more than twice the size of Amazon's CloudFront. Extremely cost effective, OnApp can provide CDN services at about 10 percent of the standard cost of the industry. The company provides all services needed to go live for the cost of $10 per processor core per month.

"OnApp has turned the whole concept of how to roll out a global cloud service on its head," said Kosten Metreweli, COO of OnApp. "We help companies get to the cloud extremely rapidly, often with their own infrastructure."

Such capacity has led the company to a triple digit growth rate, further cementing its position as it expands its network. Customers include Dediserve, eApps Hosting, and Exabytes. Competitors such as SpotCloud have tried similar approaches, but failed, simply because they do not have the size of ecosystem OnApp has already established, Metreweli explained. The company also competes against Akamai, which takes a more expensive approach of actually establishing new data centers, rather than simply sharing the excess space of its established customers.

The company is a spin-off of a large hosting company in the UK which wanted to establish a cloud service but found little value in what was being offered in the market. It built its own platform over the course of several years and received great interest from service providers. OnApp spun out as an independent entity in 2010.

The company has raised $6 million in a Series A investment. Already profitable, it looks to "imminently" raise another round to further propel its market. The company is based in London.

With Amazon's revenue estimated at $1.5 billion, expects OnApp to grow to be bigger than Amazon in the next five years, mostly because of the cost effectiveness of the platform that exceeds the competition. Not a one trick pony, the company is being built for the long term, aiming for a possible IPO down the road.

The real potential comes from further extending its global presence, making it possible for anyone to establish on demand cloud services anywhere on the planet on a whim in a matter of days.

"As we tie all these service providers into one seamless pool of computing, that's the big game changer," Metreweli said. RH

Op5

Company: op5
URL: www.op5.com
CEO: Jan Josephson
Sector: Computers/Software/Technology
Country: Sweden
VC$: Yes

In the age of Bring Your Own Device to Work, companies' IT structures are vastly more complicated than the snake pit of wires stashed behind the office desk. Businesses not only need to worry about the infrastructure of their corporate equipment, but every device their employees use to plug into the system. Op5 gathers the complete IT system of an enterprise and unites it under a single interface and platform. The company's software solution monitors the entire IT system, including hardware, software, virtual or cloud based services.

Not only does op5 vastly simplify a company's IT structure, it makes it understandable so companies can react intelligently to potential problems, explained Jan Josephson, CEO of op5.

"It's the complete picture that we think is more important than the individual device," Josephson said. "From the beginning, we made the decision that verticals are important, but companies are ultimately measured on the horizontal- how things work together. We gather all the IT info into one central place so that smart decisions can be made."

Thanks to trends such as cloud computing, virtualization, software as service etc., the company's services are in high demand. As Josephson explained, IT entities that were previously contained in the basement are now spread throughout a company's infrastructure, creating a very messy IT structure.

"We can make a horrible situation into a fully controlled solution in less than a week, compared to traditional approaches that would take weeks to deploy, if not months or even years," Josephson said. "A lot of companies do monitoring, but most fill niche spaces with very granular monitoring. We cover every facet of a company's IT into a single platform for simplification."

Founded in 2004, the company began targeting the SMB market. Today, it runs over 800 systems, and has enjoyed a 50 percent revenue growth rate for the past two years. The company serves medium to very large enterprises, including the likes of Time Warner Cable and Ericsson, despite being a small team of only 40 people.

Munich's DVB Bank implemented op5 as a company-wide monitoring solution.

"In our procurement of surveillance, it was our biggest challenge to find a solution that could meet all these requirements in one central system. Op5 was the only company who could cope with all this," said Stephan Gottschalk, Network Engineer at DVB.

This year, op5 was part of the IBM Pure Systems Launch, and was one of the few ISPs to be fully certified on that platform.

Perhaps even more telling of the platform is its 98 percent customer renewal rate for its subscription based model.

"This isn't a quick fix," Josephson said. "We're quite serious about the service of our capacity."

In terms of international expansion, the company recently opened an office in Munich to launch its expansion into Germany. It also recently opened an office in the US. However, the company manages to reach most global markets through partnerships, including STONE-IT, Sitescanner and TDC.

The company has an undisclosed amount of funding from the Royal Institution of Technology KTH Capital in Stockholm and Pod Venture Partners. Competitors include Icinga, Zabbix, and Zenoss.

With about $10 million in revenue expected this year, op5 expects to reach around $25 million by 2014.

"So many technologies are emerging, and it creates great potential but also introduces a very messy IT," Josephson said. "It's nice to be one of the vendors who can help clean up the mess."

Paper.li

Company:	Paper.li
URL:	www.paper.li
CEO:	Edouard Lambelet
Sector:	Internet & Services
Country:	Switzerland
VC$:	Yes

Paper.li enables anyone to become a publisher. The company's automated software creates online newspapers. Users simply list a number of news feeds, Facebook pages, contacts and friends interested in a specific topic. As articles, blogs and other content appear on the web, Paper.li's software creates a page paraphrasing the content, with a link to the original content. The software can be scheduled to update the newspaper on a user's chosen timeline, implement filters and categories. It instantly creates an online portal for anything related to a specific topic from those feeds. Ultimately, Paper.li revolutionizes content discovery, creating platforms that aggregate material related to a specific topic to filter it from the infinite vacuum of the Internet.

"People are overwhelmed by content," said Edouard Lambelet, founder and CEO of Paper.li. "We provide a groundbreaking change by crowdsourcing content discovery. We clearly touch a sweet spot for users right now, and we have papers on topics you can't imagine."

The company launched in the summer of 2010 and immediately went viral, with 5,000 newspapers created on its first day.

"We were really taken by surprise," Lambelet said. "The idea was just to put it online and see what we could do, but we were overwhelmed by users very rapidly."

The company's empire of content discovery has grown to over 200,000 micropublishers that publish over 400,000 online newspapers with daily updates that are read by over 4 million unique readers. Its content is published in seven languages on truly a global scale, with 35 percent of its footprint in North America, 30 percent in Europe, and the rest throughout the world. More than 50 million articles are published on the platform every day. More than 10,000 articles are analyzed every second.

Paper.li has so far featured only a free version of its software, making money off advertising placed on the created pages that directly benefit the company. It is planning to soon launch a premium version of the platform that would include more features and allow users to monetize the advertising.

Lambelet declined to talk revenue, but expects the company to reach the break even point by the end of this year. In five years, he expects the company to be earning eight-digit revenues.

The company has had nearly $4 million in angel investment. It will likely consider an A round next year in order to fuel its growth. Paper.li's competition includes Tweeted Times, an iPad app that creates a newspaper styled interface on posted stories of Twitter followers.

Lambelet unconcerned with potential replicants. Featuring over 200 million posts processed per day, in 8 languages, 160 million users, 600,000 channels, 300,000 curators, and millions of readers, Paper.li is able to provide a quality of content through an extensive collective intelligence of curators that would be impossible to replicate. Plus, the robust platform analyzing 10,000 articles per second enables a "telecom-grade" quality of service, guaranteeing the company doesn't miss an article.The company also plans to soon include Paper.li inside the websites of large publishers and brands to further consolidate its positioning.

There is clearly a need to aggregate content around particular topics, and Paper.li's technology is an ideal fit, Lambelet said.

"The world simply needs a new way to organize content," Lambelet said. "It's no longer feasible to digest the huge amount of content coming from the entire span of digital sources. We want to make discovering that content easy. This is our mission."

PocketMobile

Company:	PocketMobile Communications
URL:	www.pocketmobile.eu
CEO:	Anders Tormod
Sector:	Mobile
Country:	Sweden
VC$:	Yes

Thanks to PocketMobile, companies can build their own mission critical mobile apps, quickly and easily, and host them in the cloud for a cost savings. And they'll reduce their cost of ownership by an average of 50 percent as a result.

PocketMobile produces the PreCom development platform that allows companies to easily build their own mobile applications that work with any device, whether smartphone, PC, tablet or anything else. It allows companies to produce their own mobile applications quickly and easily, optimizing the mobile capabilities of their workers to increase productivity and be quickly able to adapt to the mobile revolution.

"Through the platform approach, we help companies really take control of their mobile applications, develop them, maintain them and run them in an very efficient manner," said Anders Tormod, CEO of PocketMobile.

The platform market today is in the multibillion dollars, while the mobile market stands at $10 billion and growing, Tormod said. Considering that every company needs mobile and most have yet to adequately adopt it, the company faces a market opportunity that is difficult to comprehend, Tormod suggested.

"Consider that every company, every worker is about to be mobilized one way or another," Tormod said. "The need for a platform approach is strong, growing through the pains companies cease to have when they adopt it."

The idea for the company was born on the beach. Founders Fredrik Berglund, Fredrik Gottfridsson and Kristian Sandahl met while surfing in Australia. Each had a background in mobile, and in between surf tides, the trio decided to launch their own mobile enterprise. Founding PocketMobile in 2000, they started by simply serving the direct needs of clients, building mobile applications one by one on turnkey solutions, until they realized the work would be more easily accomplished on an automatic platform. They evolved that turn-key approach to a hosted service and then into a software development company. Though self-funded from its own profitable revenue stream, the company didn't really start seeing a massive customer base until 2009 to 2010 when it offered the platform solution.

Today, the company has more than 100,000 users in over 25 countries, mostly in Europe with some traction in the U.S. Its partner network includes more than 130 developers. The company earns less than $13 million in revenue,

While PocketMobile has several competitors, its biggest competition is a business's choice to do nothing or build their own platforms. As early as mobile is, most companies are only beginning to get on board and haven't experienced the pain of developing multiple applications on numerous platforms that results in utter chaos as the system devolves into confusion, Tormod stated.

"Many customers simply haven't hit that pain point yet. Others who started earlier in mobility are there now," Tormod said. "When it comes to mobile, we have experience and solutions that have been proven. We are a proven leader in a fast growing but relatively immature market. As it matures and customers realize the pain and the need, our success will only accelerate."

Preview Networks

Company:	Preview Networks
URL:	www.previewnetworks.com
CEO:	Andy Chen
Sector:	Internet & Services
Country:	Denmark
VC$:	Yes

Preview Networks connects video content to audiences, providing not only the CMS and content distribution platform, but the connected relationships to thousands of sites that ensure the content has an audience for the effort. The company works to distribute video content for PR, marketing, promotional or branded purposes across thousands of targeted sites, and accurately measures the consumption of that content. It addresses the pain points of fragmentation, including the audiences split among thousands of sites, as well as the fracturing of platforms. Preview Networks distributes the content across mass targeted audiences on a single platform accessible to all devices.

"We address the fragmentation that's beyond a brand's ability to solve, and put it on a single platform so it can be accessed by anybody on any device," said Andy Chen, CEO of Preview Networks. "We're not Facebook reinventing civilization, but we take historically isolated domains such as content management, content delivery and paid media distribution, and combine them all on one platform to provide audience aggregation, development, and management. We are solving the problem of audience for content."

The company launched in 2004 as a content distributor for movie trailers. At the time, film promotional videos were distributed to media channels typically via CD-ROM, which could get lost in the mail or break, plus faced higher distribution costs. Preview Networks launched as a way to provide this same content online so it could easily be accessed by thousands of media channels, and the consumption of the content could be digitally measured.

The company received $4 million from Sunstone Capital in 2007 for its international expansion strategy, enabling it to hire a bigger team with an international background. Unfortunately, various internal challenges limited the growth and Sunstone hit the reset button in late 2009, revamping its board and bringing Chen on from Viacom Europe in 2010. Chen immediately recognized the company only reached a fraction of its potential by concentrating on the movie trailer business, and broadened its reach to expand the business scope and content categories.

The company worked to create an ecosystem of thousands of sites across a wide range of demographics, and signed its first customer outside of the film business in 2011. In the third quarter of 2011, the company reached its proof of concept with the online store Georg Jensen. It soon added Peugeot, Samsung, Renault and various other global brand clients. Today, the company serves over 330 clients, mostly in Europe, though several of its customers in turn serve global markets. Preview Networks has managed 50 percent growth for the last several years.

"Once we sign a client, they rarely leave," Chen said. "Why would they? We help them aggregate the audience to their content to increase their marketing ROI."

Preview Networks signs about 50 percent of all brands it pitches to. Though its sale cycle is slightly longer than generic advertising solutions, the company's retention rate is high, as 95 percent of its clients choose to remain once they're on board. Such success enabled the company to reach profitability late last year, four months ahead of schedule. While Chen declined to state revenue figures as the company is engrossed in M&A discussions, he allowed that the company has had 80 percent gross profit margins for the last six quarters.

"Since we've been on this path, we've seen a lot of traction and we've achieved considerable gains," Chen said. "We're getting recognition, building momentum financially, and we continue to grow. This market has huge potential."

Privalia

Company:	Privalia
URL:	www.privalia.com
CEO:	Lucas Carne
Sector:	Internet & Services
Country:	Spain
VC$:	Yes

Privalia runs a private sales club that sells leading name products at competitive prices to exclusive club members. As of 2011, the company has grown to 5 million members on a global basis, with particular reach in Spain, Italy, Brazil and Mexico. About 51 percent of its market is in Spain, with its largest international market in Brazil. It has 600 employees in offices in Barcelona, Milan, Sao Paolo and Mexico City.

The company was founded in Barcelona in 2006 by Lucas Carne and Jose-Manuel Villanueva. It has raised at least $200 million in financing from General Atlantic, Index Ventures, Highland Capital Partners, Nauta Capital, and Caixa Capital Risc. The business acquired the German e-tailer Dress for Less in 2011.

Quimron

Company: Quimron
URL: www.quimron.com
CEO: Jan Tenne
Sector: Software
Country: Germany
VC$: No

Specializing in mobile app development, Quimron offers a streamlined app building platform that can build targeted apps in as little as two days. The company focuses on successful applications starting in the conceptual phase that are target oriented for its customers. Rather than merely pounding out an app, however, Quimron focuses on design from the ground up, creating apps that are truly useful for its customers and their users.

"We're not just about transforming a brochure into an app, but creating something that is really useful," said Jan Tenne, CEO of Quimron. "We offer the brains backed by the right tools that streamline the process extremely efficiently."

Quimron also uses its tools to create its own apps. The company offers more than 80 apps in the Apple app store with over 1.7 million downloads in the last 18 months. It sees about 5.5 thousand downloads per day.

About half of its business revenue comes from its own apps, while the rest comes from building apps for clients. The company serves over 40 customers, including eight large entities and 20 medium-size businesses. More than doubling its revenue, the company earned $4 million to $5 million this year, and expects to earn $7 million to $8 million next year. It has been profitable for the last three to four years at a two digit percentage range.

Tenne and his partners conceived the idea for Quimron while working for a software company long before smarthphones were a reality. They originally developed applications for PCs and notebooks. As the software company turned to hardware, Tenne founded Quimron as an independent company in the early 2000s. With the release of the iPhone in 2007, the company realized the smartphone provided the perfect platform for applications and began developing an app writing platform, streamlining its efficiency over the last several years.

"We are transferring to the mobile world the approach Apple and Steve Jobs took with an end to end solution that is fully owned, under control and simple," Tenne said. "We really look at customers needs and problems, and provide them solutions that are their own."

Based in Germany, the company began with the assumption that Europe would be its biggest market, but that didn't prove to be the case. Its biggest traction has come from the Middle East and Asia. India and Australia have proved especially interesting due to their wide adaption of smartphone technology, Tenne explained. Still, Tenne holds high hopes for the German market, which is often "a follower's market," and he anticipates great growth in Germany over the next couple of years.

The company has had no outside investment. It faces competition from Ebbex, Applico, and Raizlabs.

Tenne views Quimron as a billion dollar opportunity, capable of growing to the size of PricewaterhouseCoopers over the next several years.

"What we are really doing is consulting, transforming the customer approach on this mobile world," Tenne said. "This is nothing less than what PricewaterhouseCoopers consulting is doing for the companies of the world. This will be a substantial business." RH

Realtime Technology

Company: Realtime Technology
URL: www.rtt.ag
CEO: Ludwig Fuchs
Sector: Computers/Software/Technology
Country: Germany
VC$: No

Realtime Technology (RTT) leads the space of professional high end 3D visualization, providing 3D digital models so close the real thing they can practically pass for a prototype.

"We create the most advanced technology in 3D visualization that you can have," said Ludwig Fuchs, co-founder and Member of RTT´s Board . "We're not talking computer graphics just for the sake of sleek effects. We're blurring the lines between visualization and virtualization. Everything we do needs to appear absolutely real. "

Realtime Technology's platform creates high tech 3D advertising and content, but it's also used for industrial purposes to create fast, usable models ahead of the prototype to quicken the production process. Adidas used Realtime Technology to successfully cut its product development time in half.

"We enable companies to have real life experiences with the real product before it's even produced," Fuchs said. "This helps them make quicker decisions, faster prototypes and bring the product to digital sales channels. The whole process of developing products is digitized. The glue that combines it all is virtualization. We are the language spoken in a digital world."

Though not many market studies have been done on the 3D virtualization market, Fuchs estimates it to be a $300 to 400 million market that could eventually reach $1 to 2 billion.

"The bottleneck for us is not market potential, but speed," Fuchs said. "The limiting factors will be speed of growth, speed in finding the right resources, and speed in building the infrastructure and organization. We're not limited by the potential row of customers and markets out there."

The company primarily serves the automotive industry, including Toyota, GM, Volkswagen and Audi. It also serves the consumer sector, with such clients as Samsung and Sony. Its customers are primarily centered in Europe, with a strong, growing presence in the US and Asia.

For the last five years, the company has had a 40 percent growth rate, and earned $71 million in revenue last year. This year, Fuchs expects the company to earn $90 million with a 25 to 30 percent growth rate.

Over the next year or two, the company will focus building its reach of customers as it extends into new industries beyond automotive, as well as expand its presence in China, Brazil and Russia.

The company has had $19.5 million in investment from Balderton Capital and Siemens Venture Capital. Competitors include NetIQ Corporation and Radview Software.

"So many positive factors are coming together that have tremendous potential," Fuchs said. "We have the right technology in place, and we've gotten enormously positive feedback. We have strong momentum with our customers, and they push us to pursue new opportunities. There will always be competitors, but we are already years ahead of anyone out there." RH

Relaxbirth

Company: Relaxbirth
URL: www.relaxbirth.com
CEO: Jukka-Pekka Luostarinen
Sector: Life Sciences
Country: Finland
VC$: Yes

Relaxbirth takes the birthing process back to the fundamental through techniques that use a more natural upright position. Rather than the mother lying on a bed, she sits upright in nearly a standing position on the Relaxbirth device, allowing the natural force of gravity to ease and accelerate the birthing process. Resembling exercise equipment, the contraption features an adjustable chair on an incline, backed by arm supports to facilitate pushing.

The idea was invented by Eija Pessinenn, winning her the EU-WIIN first prize as European woman inventor of the year in 2009. A mid-wife, she did development work in Nicaragua, personally witnessing the birthing process in some of the most miserable and challenging conditions. What the midwives in the city of Matagalpa lacked, however, they made up for in natural approaches, encouraging the mother to stand up, using frequent body movement and the natural force of gravity to propel the birth.

"We have a big heart and a very big mission- essentially advance the well-being of both the mother and the child throughout the birthing process," said Jukka-Pekka Luostarinen, CEO of Relaxbirth. "Our contraption is designed for a mother to be able to choose her own position as freely as possible. If she's not lying flat on the bed, it requires less effort. Between the handles and the natural force of gravity, the birthing process is much easier."

Quicker births lead to faster recovery times with considerably less pain. By minimizing the need for forceps and making the process easier, the system is designed to lower birth injuries as well. Doctors and mothers have responded quite favorably, Luostarinen said.

"I thought that an upright, sitting birthing position would be the best solution for me, and that's why I wanted to experience the Relaxbirth method," one mother reported. "My conclusion is that I got the best possible support from the hand grips when pushing."

The company is gathering the scientific support to back up its anecdotal evidence. More than 500 births have been conducted using Relaxbirth in an independent study by Helsinki University. The company plans to eventually test 1,000 for greater scientific accuracy, with results expected next year.

The company earns revenue through selling the device and a training program directly to hospitals.

Founded in 2006, the company is only beginning to get to market stage. After receiving funding in 2008, the company built a prototype in 2010, and began testing the device through a program at the Finnish Institute of Occupational Health. It plans to first target the European market, selling directly to hospitals in the UK, France, Germany and Spain. Talks are being finalized to do a $30 million program in Latin America. It expects to enter the United States within the next year through a partner. Currently operating on revenue funds, it expects to start earning revenue by the end of this fiscal year. It has had nearly $8.2 million in investment.

In the next 10 years, Luostarinen expects Relaxbirth to be in about 10,000 maternity clinics, earning $400 to 600 million annually.

"Our best feedback comes from the satisfaction of the mothers and the reports we hear from the doctors," Luostarinen said. "We've gotten a lot of exposure through social media sites of mothers sharing their experiences on how it helped. Relaxbirth makes the birthing process easier on everyone." RH

RockeTalk

Company: RockeTalk
URL: www.rocketalk.com
CEO: Alan Coad
Sector: Social Network/Media
Country: USA
VC$: Yes

RockeTalk makes feature phones smart, putting the developing world online and in the process making it part of the digital ecosystem. As India's largest mobile social networking application, the company provides a communication and sharing system that gives any feature phone smart capabilities. Through cloud technology, the company makes the sharing of video, audio and social connections seamless but compressed, so that the full functions of the mobile Internet can be enjoyed through any feature phone. With 60 percent of its audience in India, the company can connect vastly rural audiences in a country with few desktop connections.

RockeTalk's real strength lies in its user engagement. Users don't just sign up one time. They get involved and continually interact because of the mobile connection. While these users connect to new communities, RockeTalk in turn connects them to brands, opening up new worlds of commerce to regions which are experiencing the Internet for the first time. "We bring a rich online experience to a new generation of Internet users, enabling brands to be part of that conversation," explained Alan Coad, CEO of RockeTalk.

In a similar vein to American Idol, the company recently partnered with Nokia India to launch the world's first reality game show on mobile, where people sang, answered quiz questions and competed for prizes. More than 300,000 unique users interacted with the show in the first two weeks. RockeTalk also partnered with YouTube to take video auditions for an upcoming Bollywood film. In another campaign, Pepsi ran a Facebook and Twitter contest in India that barely managed 1,700 entries in four weeks, understandable in a country with little broadband connection. When the company ran the same contest on RockeTalk, it massed over 25,000 entries in eight days.

That interaction is powered by a mass audience of just under 17 million users, half of which are active on a monthly basis, of which 10 percent are daily users. Those users have contributed over 1 billion units of user generated content. About one in four of India's online mobile users are on the platform.

The company only recently began monetizing its platform, starting with an ad network in January that has grown to a six figure run rate. Though India's online advertising market has only begun to mature, it is experiencing quite growth spurt, doubling this year to $9.9 million over $4.7 million in 2011, of which RockeTalk hopes to harness a considerable portion.

The company further partners with operators through a shared data package, offering discounts on compressed data packages and splitting the margin with the operator. The company also monetizes through the sale of virtual currency that can be purchased through a kiosk or a link from a carrier and used to bolster the content shared by the user.

Headquartered in California, the company was founded in 2009 by San Diego native Rajiv Kumar. With the majority of its base in India, the company also serves users in Indonesia, the Philippines, Bangladesh, and the Middle East, with a small base growing in the US and other Western markets. It has received an undisclosed investment from Mission Ventures. With the right market acceleration, Coad estimates the company could be earning $28 million in revenue in the next 36 months.

The company is well poised to take advantage of the mobile growth outlined by KPCB's Mary Meeker report on Internet trends for 2012. As Philippines, India, and Indonesia experience their largest mobile growth, most of it remains on a feature phone. RockeTalk can make that phone smarter, and in turn allow brands to lead a more intelligent conversation. RH

Romonet

Company: Romonet
URL: www.romonet.com
CEO: Zahl Limbuwala
Sector: Software
Country: United Kingdom
VC$: Yes

For most companies, the data center is a vortex of mystery. The average data center is designed on what is at best an educated guess, with little known regarding costs or energy use. Companies have little comprehensive knowledge on their data centers, as the data is frequently split up between different departments, the guy running the air conditioning receiving little input from the IT management team, for example.

Romonet enables companies to size up the black hole of their data centers to the last detail. At the heart of company's business proposition is the Romonet Software Suite: the world's first computational modeling engine and software tools suite that can simulate the complete life-cycle operational performance across the entire data center supply chain. In doing so, Romonet helps its clients to identify operational bottlenecks and optimize future capacity requirements resulting in much improved financial performance and forecast accuracy.

"We model the entire complexity of electrical, mechanical, and IT applications within a system to show how it performs before they spend their money," said Zahl Limbuwala, CEO of Romonet. "We focus on the entire data center as a system. We find that when you can optimize as a system, you inevitably find more opportunities for a savings."

Simply by running the software suite, the average Romonet client can identify areas to save 10 to 15 percent on energy costs without spending any additional capital. Plus, companies can use the suite to establish a detailed financial and performance based forecast on how the business's technology is progressing, and then use actual data from metering and instrumentation to compare their forecast versus actual expense. Essentially, Romonet turns educated guesses into quantifiable, dependable answers.

The company's customers include a mixture of enterprises and OEM vendors. It currently serves 29 large companies directly, plus another 50 through partner channels. While Limbuwala declined to state growth rates, he did allow that since entering the US market last year, the company has had difficulty keeping up with the demand. Most of its customers center in Europe, with a growing segment in the US. It next plans to expand into Asia.

With the information and communication technologies market valued around $16 billion in Europe and the United States, Romonet faces a market without boundaries. The trick will be staying ahead of its competition. As the only company in the marketplace to offer an ICT structuring solution, the company has a head start on the competition and aims to keep it. The company competes against MAXX ICT Management and TeamQuest.

"All the IT analysts right now confirm that we are the only ones in the market with this type of technology," Limbuwala said. "Our goal is to make sure we get as much of that market share as possible before the competition arrives. We own every line of code and have a very comprehensive road map from a technology standpoint."

Founded in 2007 and based in the UK, the company has had a small amount of undisclosed involvement. It is currently raising another round to fuel its growth. The company has 26 employees.

Limbuwala's goal is to reach revenues in the hundreds of millions of dollars in the next five to 10 years. He eyes a merger or acquisition as the most likely potential for an exit. "We are going for the biggest chunk of market share and hope to soon get double digit penetration," Limbuwala said. RH

Roxen

Company: Roxen Holding
URL: www.roxen.com
CEO: Per Ostlund
Sector: Software
Country: Sweden
VC$: No

Specializing in editorial and content management tools for multichannel publishing, Roxen simplifies the process of digital media. As publishers move from print to online, they face declining ad revenues and must therefore do more with less. Roxen provides software that automates the publishing process with templates and tags. A writer or editor simply enters the story into a designed template, viewing the story exactly as it will appear in publication. Roxen's software then works to make that content available in any medium, whether print, smartphone, or tablet, regardless of the platform or the device.

"It used to be you'd have someone write the text, and other people to edit it, and then put it on a page, usually right up against a deadline," said Per Östlund, CEO of Roxen. "With our solution, the journalist can do more of the work beforehand and sign off on the content knowing exactly how it will look when published. Our mission is to allow the publisher to concentrate on content, less on format and tedious manual work.

"All good publishers rely on good content," Östlund added. "We take care of everything else so they can focus on the content of the publication and their business."

The company has had a cloud solution even before there was much of an Internet. It had its first web page online in 1993, and owned its first web server before there was any such thing as Apache. It served as a developer of online systems until being hired by Metro International to create "the world's most cost-efficient publishing system" to power Metro's free-sheet venture in 2007. It built a content management platform and an editorial portal for Metro, and from 2009 an onward added media companies such as Shaw Media and Best Publishing Group to serve several hundred users in over 20 countries all over the world.

Roxen's largest market is Europe, with growth in North America and Australia picking up. Customers include RTL Nederlands, Randstad, Shaw Newspapers, Princeton University and Verizon. The company has offices in Sweden, Holland and the US.

"We have a fantastic hit rate," Östlund said. "Everyone we've presented the platform to has bought it. It's very easy for a small to medium sized publisher to appreciate the value. Our rate of return simply makes sense."

Earning $3 million in revenue this year, the company has an aggressive growth plan for the forthcoming years, Östlund said.

Bootstrapped, the company has had no venture investment under current ownership but is now considering a round to grow its customer base more rapidly.

Through Roxen Editorial Appliance, an automated, hosted solution, the company offers small to medium sized publishers CMS tools previously only available to the corporate publishers.

"We're serving publishers who have never before had access to these kind of tools," Östlund said. "Until now, they've always had to rely on desktop publishing tools and manual work. Now we can give them the tools enjoyed by the large newspaper corporations, and it's all remotely maintained by Roxen." RH

Senseg

Company:	Senseg
URL:	www.senseg.com
CEO:	Paul Costigan
Sector:	Computers/Software/Technology
Country:	Finland
VC$:	Yes

Touching is believing. To truly understand the significance of Senseg's technology, you need to feel it yourself, in the flesh on a tablet, perhaps even literally. The company can digitally replicate a sense of touch so real you'll swear it's the real thing, whether it's the skin of a baby, the fabric of a new shirt, or the grass on the golf course.

The technology is based on electrostatic force. Fingers touch the glass, creating a physical force that pulls the fingers inward to create a sense of touch. The electrostatic is modulated, similar to a high-end electrostatic loudspeaker, but using the surface of the fingertip instead. Integrated into a chip, the technology requires no moving parts and is completely solid state.

The potential for the technology is widespread, explained Ville Mäkinen, CEO of Senseg. It can be used to provide differentiation on touch screens, making it easier to find and click tabs, images or specific keys without looking at the screen. Online shops could implement the technology to realistically show off the feel of merchandise. It would make an excellent tool for the blind, providing digital braille on an iPad. Plus, it opens up new worlds of possibility in the gaming industry, as players could feel the cold steel of a sword, or run their hands across the surface of their virtual Lamborghini.

"All human beings are sensory beings, and touch is very important," Mäkinen said. "We can turn the whole touch screen area into a feelable experience that's very realistic. Any object can be made feelable on a touchscreen device."

Though the company's technology is applicable to a wide range of devices, pretty much anything that has a touch screen, it is focusing first on the tablet market as the most mass producible. Not yet to market, the company is currently building prototypes with several of the tablet industry's biggest names. It expects to roll out units as early as the beginning of 2013. With over 300 million units expected to be sold in the overall tablet industry in 2014, Mäkinen estimates Senseg could be included in 10 to 15 percent of the total market, to the tune of 50 million tablets, earning hundreds of millions of dollars in revenue.

Earning a PhD in brain science, Mäkinen founded Senseg in 2006 as a medical consulting company, the idea for electrostatic-enabled touch sensory knocking in the back of his mind. The release of the iPhone in 2007 turned his touch pipe dream into a conceivable marketing possibility, and he worked to develop the technology with a team of engineers. The company had a working touch prototype by 2009, and spent the next two years adapting the product to mass production.

The company has $7.8 million in investment, complete with significant contributions from Skype's own engineering team. Other investors include Ambient Sound Investments, AVERA, and Veturi. Further funding is currently being discussed.

Though the product has yet to hit the market, the relevance of the technology is strong enough that an exit is likely only a few years away, Mäkinen allowed. While he sees considerable enthusiasm from tablet makers, it's the look on the faces of the people who experience Senseg's sense of touch that prove the company is on the right track, Mäkinen said.

"You see people's faces after a demonstration, and all they can say is, 'When can we have it?' We have had nothing but positive feedback," Mäkinen said. "When you combine that enthusiasm with a solid sales pipeline, our opportunities couldn't be better." RH

Shopgate

Company:	Shopgate
URL:	www.shopgate.com
CEO:	Andrea Anderheggen
Sector:	Mobile
Country:	Germany
VC$:	Yes

Through QR coding, Shopgate turns practically everything into a virtual marketplace point of sale, from advertisements in bus terminals and store windows to catalogs to even the company printer when an ink cartridge runs out. Publications have included it in reorder forms to simplify subscriptions. From one click of the QR code, customers can order any need or impulse, and have it delivered to their door.

"We make buying anything from an advertisement as easy as purchasing an app in an online app store," said Andrea Anderheggen, Founder and CEO of Shopgate. "We make mobile marketing affordable to every merchant. Merchants can combine any advertising with a direct point of sale. We also solve the classic problem of advertising where advertisers don't know an ad's performance beyond an educated guess. We make print advertising measurable with scanning technology."

The company charges on a commission basis, so its customers' success is paramount to its own, explained Anderheggen.

Anderheggen believes that mobile shopping can take 20 to 30 percent of the $500 billion ecommerce market, so the opportunity is huge. Anderheggen saw the potential for Shopgate as early as 2007 following the release of the iPhone. He had already co-founded Sofort.com , one of the largest online payment systems in Germany, so he had plenty of ecommerce contacts to work with when he launched Shopgate in 2009. It launched its marketplace in 2010 with 50 merchants on the platform.

Today, the company serves over 470 merchant customers. Based in Frankfort, Germany, the company has wide traction throughout Europe and seeks to expand its reach in the US. The company earned just under $260,000 in net fee revenue last year, but expects to earn between $5 million to 10 million in the next couple of years.

With $2 million in investment already from Creathor Venture, the company is seeking another $3 million to 10 million in financing.

Developing over 1,200 apps for its customers, half of which are on the iOS system, the company requires approval from Apple so often it has automatized the process. When Apple is late on its three to six month window to approve an app, Shopgate's email system automatically sends out reminders so the development drain pipes don't get clogged.

"We really love this product," Anderheggen said. "Mobile devices are changing our lives. It's a fundamental change, and we are right in the middle of it. No matter what we do, the market will explode. It's not easy to establish this kind of mobile marketing solution. It takes at least three years, and we're already there with a great head start. We face a great opportunity." RH

Siklu

Company: Siklu Communication
URL: www.siklu.com
CEO: Itzik Ben-Bassat
Sector: Telecommunications
Country: Israel
VC$: Yes

As more people turn on to the smartphone revolution and data packages become increasingly cumbersome, wireless networks struggle with heavier mobile backhaul, the process of connecting data from a wireless tower to a mobile switching center. These companies are finding it increasingly challenging to provide mobile backhaul at a low enough cost of ownership to keep their data plans competitive in the heated wireless market.

Founded in 2008 from a team of veterans in the industry with extensive data background, Siklu began with one simple goal- to revolutionize mobile backhaul and enable better business models for mobile broadband. The company strives to drastically reduce the cost of high capacity wireless backhaul solutions through its EtherHaul E-band radio. Thanks to a cutting edge all silicon design that operates in the relatively new and unused E-band wireless spectrum, the company's technology costs 80 percent less than competing radio platforms. The silicon design requires fewer components and features greater reliability, and the little used E-band spectrum allows for lower power consumption.

The company has also redesigned the system and components, creating the first-ever SiGe based E-band transceiver for wireless backhaul to further optimize costs and reduce power.

"We took every aspect of the cost of ownership, and tried to come up with a solution from every aspect to reduce it," said Itzik Ben-Bassat, CEO of Siklu. "Operators need solutions for their backhauls that will serve their market needs without exploding the cost of the network."

Siklu's introduction to the market is well timed. The company's efficiency likely serves a small market of $100 million today, but which is expected to grow to $1 to 2 billion by 2015 thanks to the explosion in mobile, Ben-Bassat reasoned.

Working primarily with a small in house team, the company developed its IP over the course of 43 months. Primarily serving mobile operators, it signed its first customer in 2010- the Czech Republic, considered by many to be a wireless haven.

Today, the company serves between 10 to 20 mobile wireless operators, which earned it $3 million in revenue in 2011. This year, it expects to earn five times that amount as it begins to serve larger mobile operators. The company expects to break even by the end of the year.

The company's focus in on Europe, including the UK, Austria, Estonia, Latvia, Romania, and Russia, as mobile backhaul is better adopted in Europe than other regions, particularly in its homebase of Israel, Ben-Bassat explained. It only recently started selling in the US and plans to enter Israel by the end of the year. It also has plans to soon enter India.

The company has had several rounds of undisclosed investment. Not looking for an exit, Siklu is primarily focused on becoming a profitable, stand-alone solution that's a leader in the industry.

The company has an excellent advisory board to help it along the way. Sitting as chairman of the company's advisory board, Yossi Kaufman has a long history in the chip industry, previously co-founding Modern-Art, which developed a baseband chip for 3G, and is currently the founder of bSolar, an Israeli company that develops and manufactures photovoltaic solar cells.

Growing like a baby lion into a formidable beast, data is on every wireless carrier's mind, one that needs to be tamed to truly do well in the wireless space. Siklu offers carriers a viable solution for affordable backhaul. The company has come at the right time with a technology spot on the money. All it needs to do now is execute. Like the relatively unused spectrum in which it operates, the company's opportunity lies just on the horizon. RH

Siverge

Company: Siverge Networks
URL: www.siverge.com
CEO: Yuval Berger
Sector: Semiconductor
Country: Israel
VC$: Yes

A fabless semi-conductor company, Siverge delivers a patented, multi-interface silicon that can handle every nook and cranny of the networking industry. The company targets the lower layers of the network, mainly the transport and aggregation segments that transmit and deliver the data across a variety of platforms. The company's technology not only works for any type of service or network, but it does so at intense speeds that are five to 10 times faster than the industry standard.

"Our solution uses a new type of silicon that can process and handle any type of service or network, and is not limited to a specific generation," said Yuval Berger, co-founder and CEO of Siverge. "This is very unique. Before Siverge, you'd see many silicon devices that address this market segment, but each would serve a particular function or type of network. Unlike other devices that are much more specific, our device features flexibility and can support any network or service, and support a variety of different types simultaneously."

Previously involved in the Ministry of Defense of Israel, Berger decided to launch a company based on advanced technology in communication systems. He teamed up with Moshe De Leon, an expert in algorithms, and Udi Kra, who provided the silicon expertise. The three founded Siverge in 2005 to create a universal silicon that could work across all platforms.

The company hired a team of engineers, including several from Intel and Motorola, and built a working prototype in three years. It launched its product in 2009 with about four customers. Today, the company has over 15 customers. The company faces a long sales cycle of about two to three years before it starts earning revenue from its customers, so it has only recently begun its revenue stream. The company earned $1.5 million in revenue last year, and expects to do four to five times that this year, with growth slowing slightly next year.

Siverge has had $30 million in venture investment from Evergreen Venture Partners, Cedar Fund,and Magma Venture Partners. It is currently raising another round to accelerate the development of its next generation of technology. Berger anticipates an exit on the IPO market in next several years with an evaluation starting at $300 million.

"We're aiming high," Berger said. "We have a strong technology, a strong barrier to entry, and a long market in a business that's very dynamic. Our customer potential is considerable."

Berger remembers back in the early days of pitching the idea to venture capitalists and other curious entrepreneurs, the three founders always got a similar response: not only is such a cross-network silicon impossible, but the market is dead. Today, the company has a working product and its addressable market today stands at $3 billion.

"The question wasn't what the market looked like then, but what it would look like years down the road," Berger said. "We've proved not only that the market will be strong, but that the technology is achievable. This kind of silicon is very complicated, but not we've done it and not many people can. We're well poised to become the number one player in the industry." RH

StereoTools

Company: StereoTools
URL: www.stereotools.com
CEO: Remi Charrier
Sector: Biosciences/Biomedical
Country: Switzerland
VC$: Yes

Stereotools strives to simplify brain surgery. Rather than open-skull surgery, the company uses a minimally invasive technique that drills a small hole into the skull, in which all tools are inserted to conduct the surgery. The first highly accurate and miniature guide for brain surgery, its Stereopod product uses 3D imaging to map the brain, identify the targeted area and guide the surgery. The tool allows the surgeon to define the size of the hole and ensure it is a minimal size necessary to conduct the surgery.

The technology is expected to reduce the time of the surgery and increase the patient's comfort, though this still needs to be proved in clinical trials. Essentially, instead of six hours in the operating room, patients can undergo the surgery in four hours and in addition they do not have to carry a bulky frame during the waiting phases, according to Rémi Charrier, CEO of Stereotools.

"It's very easy to use, reduces the stress of both the patient and the neurosurgeon, and minimizes the cost of ownership," Charrier said. "We are filling a gap that is missing in stereotactic neurosurgery. Stereotools moves brain surgery a tremendous step forward."

Charrier estimates Stereotools faces a market of $300 million. Not yet in clinical trials, the company is currently raising a $1.5 million round to fund testing so it can achieve the European CE Mark. Charrier expects the company to be in a position to sell by 2014, though early efforts will be focused on demonstrating the effectiveness of the technique in further tests to prove its advantages and propel it to market. By 2016, the company expects to be serving at least 40 customers.

The product includes a set up unit and set of consumables. The company will most likely define pricing along the pay-per-use model, at least for the US and Europe, though it may need to use an investment model for outside areas such as Asia and the Middle East.

The company competes against historical actors who use the outdated technology of stereotactic frames, which while accurate have major disadvantages by being highly invasive with longer recovery times. It also competes against several newcomers who provide highly technical devices that are less accurate than stereotactic frames but have the advantage of small size and MRI compatibility. Stereopod is able to achieve the simplicity and accuracy of stereotactic frames while maintaining the advantages of other competitors through a cost effective solution, Charrier explained.

A spin off of the EPFL (Ecole Polytechnique Fédérale de Lausanne), Suisse and of the CHUV (Centre Hospitalier Universitaire Vaudois), Stereotools developed as a collaboration between between the neurosurgeon Dr. Claudio Pollo and the Professor Jean-Philippe Thiran at EPFL in image processing. It began R&D in 2008, with a proof of concept in 2009. It began testing the product on cadavers in 2011.

So far, the company has only four employees, mostly engineers in software and micromechanics. Its advisory board includes Barry W. Wilson, former president of Medtronic International; Professor Jean-Philippe Thiran, professor of signal and image processing at EPFL; Dr. Claudio Pollo, neurosurgeon at the Inselspital, Bern, Switzerland; and Professor Marc Levivier, Head of the departement of neurosurgery in CHUV, Lausanne, Switzerland.

The company has received over $1 million in grants and loans. Charrier expects the company to break even by 2017.

While it could work with a distribution partner, the company is building itself for an acquisition, most likely around 2015. It will first focus on the European market, and leave the US market for the acquiring company to tackle.

Charrier expects the company to be earning $5 million by 2015, and $20 million by 2020. RH

TagMan

Company: TagMan
URL: www.tagman.com
CEO: Jon Baron
Sector: Internet & Services
Country: United Kingdom
VC$: Yes

TagMan provides a platform for agencies and advertisers to manage online marketing tags and data in a single system. Its one system fits all approach makes it easy to add, edit, or remove technology applications direct from the web page without changing the code of the site. It enables marketers to do tagging without having to rely on an IT department.

The company launched the first independent tag management platform in 2007, and today has the most mature technology in the industry. The company has over 100 customers, including Kelloggs, Direct TV, Spotify, Air New Zealand, 10 of the top online fashion retailers, and three of the top four UK online department stores. It has over 200 vendor tags currently implemented. Its platform tracks more than 50 million online conversions and more than $1 billion of sales every month.

With a headquarters in the UK, the company has over 50 employees based in London and New York. It has raised more than $10 million from Greycroft Partners and iNovia Capital RH

Tagsys RFID

Company:	Tagsys RFID
URL:	www.tagsysrfid.com
CEO:	Alain Fanet
Sector:	Computers/Software/Technology
Country:	France
VC$:	Yes

In an increasingly complex ecosystem, Tagsys takes the technological pulse of e-commerce goods, optimizing the best of supply chains by catering to the unique tastes of customers. The company's Radio Frequency Identification (RFID) Systems track millions of items across a range of markets using wireless sensing information technology. While its focus is the luxury goods and apparel markets, its technology targets a variety of industries, including hospitality, document libraries, textiles and pharmaceuticals. Connecting to any ERP, its fully integrated, verified system collects data on the supply and demand of items in order to optimize the supply chain. It then collects profile data on the consumer end to deeply understand the customer behavior, and for example cross-reference body sensitivities related to a specific medicine, or preferences in styles and tastes.

"We provide a very firm economic context on the material goods," said Alain Fanet, CEO of Tagsys. "As prices and supplies fluctuate, you end up with a very difficult supply chain, which you need to optimize with real-time visibility and transparency. We help our customers quickly adapt to the changes in the supply chain."

Leading the largest worldwide government-sponsored R&D initiative in RFID, and backed with over 15 years of innovation, the company changed its game three years ago to become the world leader in wireless sensing information services, aiming at transforming the customer's e-commerce experience. Tagsys is the only player to connect a wide network of brands and goods on a single distribution platform across multiple sales, Fanet explained. Its customers experience a 50 to 60 percent improvement in process flow, resulting in an average of 7 to 10 percent increase in store sales due to better visibility.

"The Tagsys infrastructure provides us with a significant competitive advantage," said Pascale Barbe at SeD Logistiques. "By leveraging item-level RFID to provide real-time visibility of merchandise as it moves in and out of our distribution center, we increase efficiency in our processes and inventory accuracy and improve services to our customers. Tagsys not only provides us with the tools and services to boost productivity and reduce labor costs, but it also improves inventory availability for our customers, which will ultimately drive sales up."

The company serves a multibillion dollar market with an expected gross average of 30 percent. Currently in the range of $26 million, the company enjoys a 30 percent annual growth rate. Fanet envisions the company reaching $65 million in the next three years, with the goal to grow into a $100 million enterprise several years down the line.

"Many Brands are implementing RFID to be compliant with the VICS initiative driven by Macy's, JC Penney and other big retailers in the US and Tagsys is the only system provider addressing this supply chain demand. The opportunity is driving our investment in the US", Fanet said.

Tagsys has had $80 million in venture investments from a number of VCs, including Endeavor Vision, Elliott Associates, DFJ Esprit, Panorama Capital and others. It recently closed a round to accelerate its market strategy and innovation and growth in the U.S.

Naturally, there will be competitors, but Tagsys already has a head start with a deeply integrated system that will be difficult to replicate, Fanet explained. Yet it's not sitting still, investing a third of its budget into R&D, which represents 80 full-time engineers to expand the platform and technology to create further market barriers to competitors. The company holds an advantage as a one stop shop inventory system over a very fragmented ecosystem, spread out among manufacturers, hardware and software providers, Fanet explained.

"What we offer is unique, and it's going to make us very competitive in the next three years," Fanet said. "We are building a strategic market approach with real foundations that drives and reacts to the fluctuations of the market and economy." RH

Telerik

Company:	Telerik
URL:	www.telerik.com
CEO:	Vassil Terziev
Sector:	Computers/Software/Technology
Country:	Bulgaria
VC$:	Yes

In a world of HTML5, iOS, Android and Java scripts, in how many languages can code be written? Telerik provides software development tools that translates that complicated programming jargon into one easy to use lingo. Its platform simplifies the developing process while improving output by an average of 20 percent, according to Stephen Forte, Chief Strategy Expert for Telerik.

"Our tools provide massive productivity gains," Forte said. "The massive amount of code required for a project goes down, which is critical because the amount of code only becomes larger with the various platforms."

The company provides quality assurance software, testing tools, and a content management platform that reaches across all programming languages and devices, including HTML5, iOS, open source and Android. The difference is its focus on the customer, as the company takes special care to integrate its developers directly with its clients to better understand their needs, Forte explained. Its developers regularly go to software conferences to see first hand the problems and challenges in the industry, particularly when it comes to tech support.

Enabling coding language for just about every platform, the company's market includes the entire development community. It counts over 125,000 paying customers and supports over half a million developers in well over 100 countries on seven continents. Its software is even being used on projects in Antarctica. The company doubled annually as it ramped up to its first 100,000 customers, and has since slowed to 25 to 35 percent at a steady trajectory. Customers include ING, NASA, Ford and HP.

"We've barely scratched the surface of the potential of this company," Forte said. "There is ample room for growth."

That's pretty decent footing for a company that was founded by four friends who met on a basketball court. Cofounders Vassil Terziev, Svetozar Georgiev, Boyko Iaramov, and Hristo Kosev started the company in 2002 during the early days of Java and Dotnet, which they viewed as a brand new platform that could be simplified for efficiency. They landed their first customer in 2002 and were profitable right out of the box. The company has had an undisclosed amount of investment from Summit Partners, and does not seek additional funding in the foreseeable future.

The company has followed a self-service distribution model throughout its existence with direct credit card sales from its website. Over the past few years, it has added enterprise sales distribution for bulk orders, a feature it plans to continue to expand.

Competitors to Telerik inside the Microsoft ecosystem include IBM Rational, Infragistics and Sencha. Outside of Microsoft, the company is the challenger in HTML5 tooling with its Agile Project Management tooling. Its latest product, Icenium, does cross platform device development, a brand new category where the company faces virtually no competition.

"Device plus cloud presents a new era," Forte said. "The era of the Internet we saw in the dot.com days is over. Today is like the Wild West. Mary Meek talked about the adoption of mobile and how small it is compared to what it can be. This is really just the beginning." RH

TestPlant

Company: TestPlant
URL: www.testplant.com
CEO: George Mackintosh
Sector: Computers/Software/Technology
Country: United Kingdom
VC$: Yes

Testing makes up nearly 50 percent of the cost of developing software. In segments like security and defense, companies may spend more on the testing itself than the actual coding of the software. Traditionally, software testing has been a manual process. Development companies typically hire one software tester for every two designers. Testing makes up a huge portion of software's price tag.

TestPlant produces eggPlant, a software testing tool which automates the testing process, allowing tests to be run automatically. This results in better software with fewer bugs delivered in less time at a lower cost.

"When you fix a bug, you need to test the system all over again, and the expense adds up. Traditionally you have one test guy for every two developers," said George Mackintosh, CEO of TestPlant. "As software becomes more complex thanks to mobile and integration, it becomes difficult to scale without a test automation solution."

eggPlant differs from competitors by being easy to use, Mackintosh said. It is also non-invasive as it doesn't need to be loaded on the system being tested, an important feature when testing security and defense software, Mackintosh explained. eggPlant employs image recognition technology, seeing images and text on screen - just as the human eye would – allowing it to robotically execute tests. Competive products fail to "see" screens with highly graphic, or "rich media" interfaces. eggPlant can also be used on any legacy, desktop or mobile system. TestPlant sells licenses for its software that include all updates, upgrades and customer support.

Facing a $2 billion market, TestPlant counts more than 500 customers all over the world. NATS, the largest air traffic controller in Europe, used eggPlant to reduce the testing period of its software updates from months into days. Skype considerably reduced the testing time of its software on the platform. Founded in 2008, the company has enjoyed a 100 percent customer and revenue growth rate in every one of its three full years of existence. A global partnership with IBM was announced recently.

A serial entrepreneur, Mackintosh had led previous exits to Verizon [in 1995] and Global Crossing [in 2000] when he decided to try his hand at an existing software business in an as-yet unexploited niche, hoping to globally commercialize a struggling tech startup. He acquired the technology for eggPlant from Redstone Software in 2008. Jonathan Gillaspie and Doug Simons [both still with TestPlant] developed the software in 2002 to robotically test users interfaces, as no tool existed that could "see" screens and mimic the commands of a manual test engineer. eggPlant was built using intelligent image-recognition - so it could indeed "see", react to what it saw and then pass or fail systems on the basis of it's programmed test parameters.

In its first year, the company generated annual revenue of $500,000. Mackintosh expects it to exceed $10 million in the next 24 months. The company's main priorities focus on product development and expanding its office footprint so its people can be closer to their customers.

Based in the UK, TestPlant has had a small round of $3 million in investment from Seraphim Capital. Profitable at this point, the company is considering raising a new round of financing in order to scale its business in development, marketing and sales. Competitors include BugHuntress and Janova.

The goal is to reach $50 million in the next five years on its own. Through strategic acquisitions, however, Mackintosh suspects he could grow the company to $100 million in just a few years.

"Development and software testing tools you simply have to buy," Mackintosh said. "Software makes the world go round and is pervasive in the way we communicate, transact and live. Mobile is accelerating the development of new software apps at an astonishing rate. Software is business and mission critical, even life critical. eggPlant plays a necessary role in making software reliable." RH

Thinglink

Company: ThingLink
URL: www.ThingLink.com
CEO: Ulla-Maaria Engestrom
Sector: Social Network/Media
Country: Finland
VC$: Yes

ThingLink turns any image or other content into a link, revitalizing the web through interconnections that redefine the use of an image. It takes photos or web content, imposing media tags within the iframe to create the link. The company effectively turns static images into doorways to points of sale, information, videos or other web content. Each ThingLink image stores the URL and the user tagline on top of the image.

"This makes images work to create engagement," said Ulla Engeström, CEO of ThingLink. "ThingLink makes images convert into something useful when they previously didn't do anything. It opens up the real estate available on a site. The imagination is the limit. We bring the web on top of images."

A serial entrepreneur, Engeström was inspired to create ThingLink while working on her PhD. In the midst of the student grind, she read blog after blog, and thought it was a pity that the best images on the blog went to waste simply because they served no other purpose. Creating links within the images made them important and interactive, and redefined their purpose on the site. Starting the company first as little more than a hobby, Engeström built a prototype for an image link, and added a social layer two years later. She then hired on a German engineering team and launched an office in Palo Alto, Calif. in 2008. After landing VC money, she moved the company to Helsinki, Finland, working the project in beta for about two to three years. Soon after, the company landed its first customer, which used ThingLink in interactive banner campaigns.

Today, the company serves over 25,000 publishers, mostly bloggers but also music labels, magazines and other publishers. About 10 percent of its customers are advertising agencies. Free to personal users, the company charges time based campaign licenses for agencies that use the feature for a profit. Despite being headquartered in Finland, its customers are almost solely based in the US, as that's its biggest market. Engeström plans to expand into Europe in the next couple of years.

The company's customer base is rapidly expanding. In the first four months of 2012, its user base grew five times. Though Engeström declined to state revenue figures, she allowed that the company expects to break even in the next year and a half to two years.

ThingLink has had $2.6 million in investment from Inventure and Lifeline. It is currently working on raising another $5 to 6 million round to expand its customer base.

"We believe all images will soon become interactive, and we are a category leader in the space," Engeström said. "I think we have a good chance to be the market leader and grow really fast. We have a great idea, a great product, and we're doing it for all the right reasons. Our next challenge is to scale the business."

The company competes against Pixazza. RH

Uniqoteq

Company: Uniqoteq
URL: www.uniqoteq.com
CEO: Terhi Johanna Vapola
Sector: Computers/Software/Technology
Country: Finland
VC$: Yes

Uniqoteq turns any television into a WiFi/3G computer, bringing the Internet into homes of the developing world. The company enables an easy, full and social web experience through any TV. For the fraction of the cost of an Internet connected TV, its product QSurf plugs into any TV, complete with a 3G/ WiFi connection and computing power. QSurf is designed to understand the users and their interests, bringing more relevancy to the user through behavior analytic tools. The QSurf solution connects living rooms that have never before connected, but it also provides Uniqoteq's partners a two way channel to the fastest growing Internet market on the planet.

"The emerging middle class in the developing world are becoming affluent and gaining spending power, yet they're wary of PCs," said Terhi Vapola, CEO and co-founder of Uniqoteq. "We give them an experience that's as easy to use as the TV, but bring the relevance of the Internet as a channel. Using an existing television at home brings a solution that this segment can afford."

The company is just beginning to bring its solution to global market, which it expects to be huge. The developing countries have the Internet's fastest growing population. Target segment consists of over 100 million people in Brazil alone. Add consumers in Indonesia, Colombia, India, Russia and more, and the market stretches as far as the eye can see.

"When you start to see the size of the market potential, you realize the opportunities are very lucrative," Vapola said.

The company plans to first focus on Latin America and Asia, but sees huge possibilities in Africa as well once it can grow to accommodate the continent.

A spinout of Nokia's corporate business program, Uniqoteq's technology benefited from years of technical research and business development, and was already a second generation product when Uniqoteq started out on its own. The company released a proof of concept in 2011 with a handful of customers to prove the viability of the technology.

The company has had at least $5.75 million in venture investment from JMH, Pontos and TEKES, a Finnish funding agency for innovation.

The company's prospects were enough to keep Nokia's former CEO Olli-Pekka Kallasvuo to come on board as an adviser and an investor to the company.

The team of Uniqoteq consists of global technology experts and former leaders of Nokia's emerging markets business. "They could have had any job in the world, but they have chosen to work with us," Vapola said. "That really speaks well to the capacity of our technology and business experience for the target markets."

And while the company's prospects are lucrative, its technology is also about providing a portion of the world access to the online ecosystem, an essential part of economic development, Vapola said.

"Being able to provide digital interaction for these parts of the world changes a lot," Vapola said. "It opens horizons for those, who are a part of it. We want to make a major impact on this segment of the market. We truly believe in changing the lives of these people, and that feels good."

The company competes against the Raspberry Pi. RH

Unity Mobile

Company: Unity Mobile
URL: www.unitymobile.com
CEO: Robert Fridrich
Sector: Software
Country: Czech Republic
VC$: N/A

Not every small business has a developer or skilled publisher on the payroll, yet the mobile revolution is fueled by apps. Providing cloud solutions for mobile sites, Unity Mobile can launch a mobile version of a company's site on any device within minutes, no technical voodoo required.

The company provides a white label platform, enabling businesses to adopt a mobile platform under their own brand name. Its platform provides a customizable framework on standard API, all the configuration automatically updated by Unity Mobile.

"Basically, you can create a website within minutes, and it looks great on any mobile site," said Thomas Wittig, CEO of Unity Mobile. "We can enable immediate outreach to an installed base very quickly, completely taking care of the back end, with minimal setup costs and time required. Mobile is really a new, modern way of doing business that caters to the changing landscape in the market, and we are well positioned to take advantage of this trend. If you can customize your own mobile presence, you can build your own mobile brand."

Founded in 2008, the company came under new ownership in 2011, recalibrating its business model to better fit the evolving trends of the mobile industry. Though Wittig declined to state revenue figures, he estimates that the company faces a multimillion dollar opportunity in a market worth several billion dollars.

The company shares large customer partnerships with the likes of Parallels, Hostopia and others, working with large multipliers in the area of infrastructure and business services, including teleco and retail market vendors. It serves several thousand major publishers, quickly building traction with a 25 to 40 percent customer growth rate month over month.

Its platform is available in seven languages, including English, Spanish, Portuguese, Mandarin, Russian, German, and others. Centered in Prague, the company has strong presence in North America and Europe, and has recently expanded to South

America, India and China. In fact, developing markets offer the biggest growth opportunities, as mobile devices essentially serve as PCs, with the majority of that population accessing the Internet through mobile means, Wittig explained.

Moving forward, the company will work to further optimize its product and focus on improving user experience, expand its business model and continue to grow geographically, Wittig said.

The company has had a substantial amount of undisclosed investment. While he'd like the company to grow independently, Wittig is also open to investment opportunities to deal with the continuing changing challenges of the market.

"We need to constantly reevaluate what is happening, consider new market approaches and business opportunities," Wittig said. "At this point anything is possible. We have no plans for new investment, but we do consider every offer that is put on the table."

And the future is wide open, Wittig said.

"We are only beginning to scratch the surface at this point. We've only begun expanding our global reach, and opportunities like video are only beginning," Wittig said. "We see incredible potential for this approach."

Competitors include Yahoo Blueprint, Mytopia and Webalo. RH

Velocytech

Company:	Velocytech
URL:	www.velocytech.com
CEO:	Casper Hassoe Nielsen
Sector:	Other
Country:	Denmark
VC$:	No

At 100 nanoseconds, Velocytech processes data close to the speed of light.

The company specializes in big data processing and data handling with the goal of achieving 299,792,458 m per second. The key ingredient lies in the company's Transmission Control Protocol/ Internet Protocol (TCPIP) that accelerates the data process for very low latency, higher throughput or low power usage. The company takes care of all data handling, makes sense of the data, and can decipher it down into understandable formats so companies can harvest its full potential.

"We are able to move vastly large quantities of data at the same time, so there's no need to wait for hours. We give it to you in one chunk, seamlessly and fast," said Casper Hassø Nielsen, CEO of Velocytech. "We then ask our customers, 'What do you want to know? What knowledge from all the information do you want to extract?' Our IP technology makes it instant, simple and understandable."

The company serves household industry names that include stock exchange traders, global investment banks, telecom providers, complex medical devices, the oil and seismic industry, high performance computing, and defense, pretty much anybody that needs to handle large amounts of data at lightning speed. Customers include TMX, Nomura Securities, HGST, Intel, GE Medical, JDSU. It monetizes on a royalty model or on a yearly subscription model.

Founded in 2010, Velocytech has been profitable since inception with considerable traction, growing at a percentage in the hundreds. It operated 25,000 field programmable gate array (FPGA) devices in 2012, and expects 45,000 chip devices in 2013. The company expects revenue of more than $5 million in 2012, and expects the revenue to be double digit the next, as its royalty payments model kicks into gear. In the next three years, Nielsen expects the company to be earning north of $150 million.

The company today stands as one of the leading IP providers in Data Processing and Data Handling. And it's all done it all on a dime. Bootstrapped since inception, the company belongs solely to Nielsen and the CTO.

"We're looking for an offer that provides more than funding," Nielsen said. "We need the right kind of partnership that can be effective at closing deals and connect us to the assets we need to fuel our growth and expansion."

Since its beginning, the company has been all about growth. It started with a team of five engineers in 2011, growing steadily to 20 the next, and expectedly to 33 this year, with a total team of 40 while still managing to be profitable.

The company's vision is to be the leading IP provider in 2016, earning significant double digit million amounts in annual revenue. Gartner recently pointed out that chips are becoming a commodity, while IP is the real driver. The company's technology should prove to be a driving force in the growth of this market. The company competes against Automatic Data Processing and Statco.

"IP is exactly what we're good at," Nielsen said. "We develop the fastest technology for the global household names of the chip manufacturing industry. I recently had a conversation with Gartner where they said that IP is where the magic happens, and I couldn't agree more. We're in an ideal position to take advantage of this industry." RH

Welcome Real-time

Company:	Welcome Real-time
URL:	www.welcome-rt.com
CEO:	Philippe David
Sector:	Computers/Software/Technology
Country:	France
VC$:	No

Considering the vast array of payment options, banks rely on customer loyalty to stay in business. Welcome Real-time works with banks to offer coupons, deals or rewards at the swipe of a debit or credit card, enabling merchants to reward loyal customers and encourage repeat business. For the bank's effort, the customer gets incentives to use that bank's card, instead of an alternative payment method. Due to its relative small size (about 100 employees), the company only works today directly with banks, which in turn sells the solution to merchants, who then gives the rewards to the customers. In the end, everyone wins.

"We change the moment of payment into a point of interaction with an added value proposition for both the merchant and consumer," said Philippe David, CEO of Welcome Real-time. "Merchants gain a way of increasing business through repeated customer loyalty, not just once, but for the long run. There is a big trend for loyalty gaining momentum today, and it's universal."

The service requires no effort on the part of the retailer, as it automatically fits the existing system. Merchants are further rewarded with real time data of the customer's purchase, allowing them to tailor rewards and programs in order to optimize loyalty. This data plays a big part in giving the right reward to the right customer at the right time. Consumers are freed of any additional support of payment devices without any ID to remember and without any contact details to be collected. The company is thus able to satisfy all three links in the chain, including consumers, merchants, and banks.

Founded in 1997, Welcome Real-time has a long history in the loyalty solutions industry. It began with an engine that used RFM (a method to understand consumer behavior based on recency and size of monetary value) to providing retailers and banks added insight. In the early 2000s, the company switched to focus solely on banks, providing the RFM through software embedded on the user's smartcard. About three to four years ago, it transformed the product to access the software online, so that any bank card could be used and merchants did not have to change its payment equipment to accommodate the system. While its business model used to be software based selling licenses to banks, it now works on a service model through a variety of managed services to help banks optimize the platform.

The company today serves over 20 enterprise customers across five continents, growing about 15 to 20 percent every year. Its customers include banks, as well as a growing base of telecoms and media companies. Profitable, the company could potentially reach a 10 to 20 percent profitability ratio, but continues to invest in its platform and growth.

The company is majority owned by Euromezzanine, a leading player in private debt and private equity finance.

The morning of his interview with Red Herring, David had just told his board the business opportunities pipeline for the company had increased by 50 percent since the beginning of the year.

"To really take advantage of our position, we need more patents, more resources and better communication, but I am extremely excited about our solution in this market," David said. RH

Wimdu

Company:	Wimdu
URL:	www.wimdu.com
CEO:	Arne Bleckwenn
Sector:	Internet & Services
Country:	Germany
VC$:	Yes

Wimdu provides a community driven marketplace for the rental of private places, anything from a castle to an apartment to a student room. It works similarly to Airbnb, but has a European focus. When Wimdu started, Airbnb only had services in the states, according to Arne Bleckwenn, co-founder and CEO of Wimdu. As its competitor has taken a global approach, Wimdu now has services in more than 100 countries all over the world, with offices in Europe, San Francisco and Hong Kong.

"We understand the European market better," Bleckwenn said. "Europe is very different, with many languages, different taxes and regulations. We think there is a desire in travel to be individual and local, and we have a deep understanding of the local market."

The company was founded on the traveler's bug. Bleckwenn and his co-founder Hinrich Dreiling, college buddies and avid travelers, have both journeyed around the world twice, as well as launched several startups. The two decided to focus on travel services, and were intrigued by the idea of a global approach to the local housing market. With the help of three engineers, the company launched the platform after seven weeks of development, landing its first customer in May of 2011.

Since then, the company has gained fast traction, and expects that more than a million people will travel using its platform this year. From January to April of 2012, the company quadrupled its revenue. It expects a market revenue north of $130 million this year.

Its users are typically 25 to 45 years old young professionals.

The company has had $90 million in venture funding from Kinnevik and Rocket Internet, run by the Samwer brothers who are famous for cloning successful tech companies in new regions. That round of funding gave Wimdu a valuation of $100 million.

Aside from Airbnb and a handful of smaller short-term rental marketplaces, the company's real competition comes from hotels, Bleckwenn explained. However, a typical hotel room in New York City can cost $200 without much of a spread. Wimdu's competitive marketplace can offer a whole apartment with access to a kitchen and dining room for much cheaper. He also hopes the unique cultural opportunity of renting a local accommodation will trump the out of the box experience of a hotel.

"Through our platform, you get a much better cultural experience than you would at the Hilton that looks the same as everywhere else." Bleckwenn said.

With the hotel industry in Europe worth $250 billion, Bleckwenn thinks the industry has a good opportunity to leverage 5 to 10 percent of that market in a few years.

"We face a great market, raised a significant amount of funding, and have some of the best people in the world on our team," Bleckwenn said. "We are riding on a lot of potential right now." RH

ZBD Solutions

Company:	ZBD Solutions
URL:	www.zbdsolutions.com
CEO:	Shaun Gray
Sector:	Computers/Software/Technology
Country:	United Kingdom
VC$:	Yes

When prices change, so does every price tag. Physical labels require constant altering, not only prices but the name on the door of a patient's hospital bed or the posting of a hotel conference room. ZBD creates the next generation of electronic shelf labels that make changing a million labels as simple as sending an email.

The company's epaper solution features a long life and low power, and runs off RF technology to make changes instantly throughout an entire network. The devices only use power when a change is made. Rules engines can further be engaged to automate the process. In the most basic cases of using the ZBD's technology, clients have been able to improve their gross margins by 30 percent, realizing substantial ROI from a total cost of ownership perspective.

"ZBD makes signage dynamic," said Shawn Gray, CEO of ZBD Solutions. "You not only get the pure cost savings of not having to use paper or constantly change your labeling fonts, but you realize a new sense of business enablement. Our customers are continually finding new ways to use this technology."

QR codes can instantly be changed to provide better deals to customers on temporary offers, for example. One manufacturer using plastic boxes to move parts implemented ZBD's labeling to change its labels throughout its facility on a constant basis.

Providing a low power easily adapted digital labeling service isn't as easy as it looks, however. There's a graveyard litany of display technologies that never made it to market, mostly due to the unique chemistry and physicality required, Gray explained. The labels have to be low cost as well as low power so the devices can operate off a simple battery for the long term. Connecting the labels to RF technology is another challenge. Founded in 2000, ZBD spent the first eight years of its history getting the technology right. They ended up with an affordable, low powered electronic labeling system.

In 2008, the company began to identify and access the applicable markets of its technology, landing its first pilot customer just before 2010 before beginning its real commercial push. In the last two years, the company has massed more than 150 retail clients, as well as more than 40 non-retail customers, in over 24 countries. Since 2008, the company has grown an average of 200 percent per year.

The company earns revenue by charging per device, plus recurring software support fees. It is looking to monetize further software content as well as a rental model. ZBD earned about $20 million in revenue last year, and plans to earn $40 to 50 million this year to break even for the first time.

The company has had $17 million in investment from Prelude Trust plc, the Dow Chemical Group, the TTP Venture Fund, QinetiQ Group, Lansdowne UK Equity Fund and Esprit Capital Fund 1. It is in evaluations for an IPO but waits for the markets to improve.

Facing a retail market alone of $100 billion, Gray expects the company could easily grow to several hundred of millions of dollars in revenue in the next few years. The company competes against Pricer.

"Our solution will become as ubiquitous as paper labeling," Gray said. "It will be something you'll see everywhere in everyday life. We managed to deliver outstanding growth even in the midst of global financial crisis. This company was a great way to ride out the recession." RH

Zerto

Company: Zerto
URL: www.zerto.com
CEO: Ziv Kedem
Sector: Software
Country: Israel
VC$: Yes

Zerto provides data application and disaster recovery in the cloud. Offering a completely hardware independent solution, the company claims to be the only company to provide a virtual system that is completely aligned with all of an enterprise's virtual machines and networks in a tier one enterprise cloud environment. Through an automatic end to end process, its platform provides enterprise disaster recovery in the space of a few minutes.

"Real disaster recovery is all about business continuity," said Ziv Kedem, founder and CEO of Zerto. "If your company cannot afford to be down for even a few hours, you cannot simply keep a backup and then recover from that backup because you actually need somewhere to recover to. Businesses can provide backup on their own with traditional tools, but it will be more expensive with a great deal of risk. We provide quick disaster recovery with all the advantages of the cloud while maintaining security, functionality and reliability."

Launched in August of 2011, the company already has 60 clients, and is quickly growing its base. Zerto serves a wide number of verticals, including healthcare, paralegal, education, and any segment requiring data recovery that's embraced the cloud, Kedem explained. Its international footprint is focused on Europe and America, but will soon expand to Asia. Still in the early stage of ramping up its market, the company is focused on expanding internationally and improving its product, Kedem said. He declined to disclose revenues.

The company has had $21 million in venture funding from Battery Ventures, Greylock Partners, and USVP. The company is based in Israel. It competes against Riverbed, Rackspace, and Data Foundry.

In the next five to 10 years, the company hopes to be a significant player in the disaster recovery market, as well as expand into other markets, earning several hundred million dollars in revenue. Not focused on an exit, Kedem said an IPO is the most likely possibility, perhaps in the next two to three years.

Having previously co-founded Kashya that was acquired by EMC in 2006, Kedem is no stranger to disaster recovery, and he's grateful to be able to transition that experience to the cloud and do it all over again.

"It's a great market," Kedem said. "The same market now has new ideas in virtualization, and there's great potential. Some people don't see data virtualization as a real market, but the people in IT understand the need, and they're our customers. IT needs a solution that is virtually aware and in the cloud. We're the only ones that do that, so the potential is great." RH

Zitra

Company: Zitra
URL: www.zitra.com
CEO: Frank Engel
Sector: Internet & Services
Country: Germany
VC$: Yes

It's not easy being small, especially when it comes to small and medium size merchants. They have no direct access to branded goods in the more limited inventory they need, nor have the time to go to trade shows several times a year to purchase the merchandise. This often forces them to get goods from other secondary markets which can be shady. Larger stores, brands and mail order businesses, on the other hand, often have a surplus of inventory, but nowhere to sell it.

Zitra strives to make the purchase of goods by traders as simple as eBay or Amazon. The company provides high class representation for brands in a b2b marketplace, cutting out the gray market by connecting small retailers with wholesale suppliers. The company helps small to medium-sized businesses get branded inventory they need more directly from the source, while enabling wholesalers and brands to get rid of surplus quickly and efficiently straight to smaller stores and other retailers.

The company's client base includes buyers and sellers. Zitra provides the buyers a safe way to get wholesale merchandise on time, while enabling sellers an easy way to liquidate their surplus.

"For buyers, we offer a secure place for their sourcing," said Frank Engel, co-CEO of Zitra. "On the seller side, we provide effective and controllable ways to clear stocks."

The company guarantees each sale on the buyer side, refunding the purchase if the merchandise arrives late or damaged. It verifies each buyer to ensure they are retailers, and only works with high quality sellers such as shopping clubs, chain stores, and mail order companies, in order to control the quality of the marketplace. The company earns revenue through a commission fee from the seller.

Engel, as well as co-CEOs Philipp Kraft and Bernhard Steffens, had previously worked in ecommerce for over 10 years, and were often asked by smaller retailers where they could get direct access to branded goods. Engel learned from a contact in the mail order business that a certain portion of buyers were required to fill orders. Recognizing the need on both sides, the three decided to launch Zitra to serve both buyers and sellers with a direct exchange of wholesale goods. Through online marketing, the company landed a hundred buyers in its first week, as well as a shopping club. The business quickly grew from there.

Launched in August of last year, the company has already amassed more than 14,000 buyers with international access, with more than 600 brands listed.

Focused on Germany where it first launched, the company added an English interface in December of 2011, and is working on spreading throughout Europe. Its next big focus is internationalization, Engel explained.

Engel declined to state revenue figures or when the company would reach profitability. It could soon reach the breakeven point, but will likely choose to invest in product development instead, he said. The company has had a nondisclosed amount of venture investment in the millions.

"We're looking to be the next Amazon for the b2b space in five to 10 years," Engel said. "We want to be a big company with small staff and serious technology behind it. The wholesale market is very fragmented, and the Internet is just beginning to become a player. We think we can grow very fast and get to number one."

The company competes against TradeBoss and Alibaba. RH

Zitralia

Company: Zitralia Seguridad Informatica
URL: www.zitralia.com
CEO: Juan Santesmases
Sector: Computers/Software/Technology
Country: Spain
VC$: Yes

Typically, small businesses lack the resources for viable IT management, yet desktops remain the most uncontrolled costs directly related to employee productivity. Ensuring all corporate applications are available 100 percent of the time via mobile applications are essential for any business. Providing PC capacity through a pen drive, Zitralia makes cloud desktops affordable and available to everyone, and it does so from a local perspective. Offering an encrypting and portable OS for high security, the company provides local cloud execution with centralized management and provision on the server side, allowing the client to access it from any device, even in offline mode. The company's approach reduces investments and maintenance costs. It effectively provides the cloud in your pocket.

"We build a personalized operating system that you can define and create in the cloud on the server side, but execute it on the client side, allowing clients to run device virtualization locally, globally or on virtual desktop infrastructure," said Juan Santesmases, CEO of Zitralia.

The company began in the government space, building complex desktop virtualization platforms for government entities. Therefore, security was paramount, Santesmases explained.

"Working for various governments allowed us to build a completely secure environment with an encrypted operating system with the main purpose to be portable," Santesmases said. "People need to have access to their data in a portable yet absolutely secure environment."

Security runs on the server side using an encryption key, Santesmases explained. This allows companies to utilize bring-your-own-device-to -work policies while maintaining absolute security.

Like server virtualization before it, desktop virtualization is exploding in market opportunity, Santesmases said. The company's solution is ideal for education, finance, public administration, service providers, carriers and SMB entities which will outsource the service to cut costs, Santesmases explained.

The company's customers include banks, insurance companies, government agencies, and schools and universities. Starting with a small number of users in 2005, the company has since grown to 50,000 users. Almost all of its market is based in Spain, but the company is rapidly planning international expansion. It plans to soon enter Latin America and the US, and recently opened an office in San Francisco.

Zitralia differs from competitors by offering a local service with centralized management and provisioning, security features for mobile desktop, and the ability to access the system in an offline mode, Santesmases explained. The company's business model is based on pay per use, charging annual subscriptions for enterprise customers and monthly packages for SMB and personal users.

The company managed to break even in 2010 with $1.3 million in revenue. It earned $1.95 million in 2011, with a $260,000 profit. It plans to earn $3.9 million in 2012, and $7.8 million in 2013.

The company has had $6.5 million in investment from family and business angels, and is currently raising another round to fuel its international expansion.

"We're looking for a partner who can help us transition into new markets," Santesmases said.

Santesmases sees Zitralia's biggest window of opportunity in the next three to four years as customers demand more localized options for desktop virtualization. It seeks partnerships to help broaden its base.

"We are facing the best opportunity in the market as customers become more interested in virtualization models that have a local approach," Santesmases said. "I am very optimistic about the opportunities in this market, but our success depends on us going international." RH

Venture in Flux

DCM Partner Peter Moran discusses the post Facebook ecosystem.

Peter Moran: from quantum leaps in LED technology to novel gaming companies.

As 2013 dawned, *Red Herring* managed to catch Peter Moran, likely one of the most understated VCs, in his Silicon Valley office on Sand Hill Road. His firm, DCM, is best known in the investment community for its dual presence in Asia and North America, its many Chinese IPOs of flagship companies (51job, VIPshop, Renren), the $50M per partner approach for each of their 6 past funds, and last but not least its two other co-founders, Dixon Doll (previously the outspoken and forward looking Chairman of the NVCA) and David Chao (two decades younger and a pioneer in cross Pacific investing). Though Moran, the firm's third partner, has long eschewed the limelight, he shared his views of the evolving venture industry in a candid conversation with *Red Herring*.

Q: What is your perspective on the IPO market?

A: 2012 was a good IPO year, better than hoped. Almost 50 companies have gone out on U.S. markets and raised much more money than in 2011 ($24B instead of $14B last year, according to the NVCA stats). There were very few Chinese companies listing on U.S. markets at the beginning of the year. The market avoided the second generation of Chinese startups going public in the US in 2012 for two reasons: first, because of the accounting scandal surrounding Longtop (a billion dollar Chinese software firm whose stock price plummeted after it was found to have reported false financials) and a couple other companies; second, because there were enough attractive domestic US based, venture backed startups to look at. But we have seen in the last several months that solid Chinese companies with strong track records, numbers, and profitability are still attractive, and U.S. investors do not want to ignore these strong performers.

Q: There have been some disappointing IPOs. What was the Facebook aftermath effect?

A: Most of the companies that have gone public were right to do so, including Facebook. I separate Facebook from other tech IPOs. Despite the disappointment people had with Facebook trading down from its IPO price, it is an impressive company in most other aspects. Facebook has a huge market cap and a lot of potential ahead. Facebook will eventually outgrow its "overhypedness," and I am optimistic about the health of that stock with its exceptional long term growth prospects.

Q: What has surprised you the most in 2012?

A: VCs who continue to throw a lot of money at startups well above rational financial valuation. This often stems from our industry's well-documented lemming approach which results in too much attention shined on some areas. The greater challenge for me is to invest in an industry nobody is talking about, especially when you do not receive much positive feedback, at times even from your own partners. VCs know we consciously have to do things that are differentiated and provocative, but it's only human nature to rely on some positive signaling from the environment. But when you get into the truly next generation areas, that's where you often receive no positive feedback at all. Yet innovation must still be embraced with the courage to break into these highly uncertain fields.

Q: Did the fact that DCM has Japanese and Chinese partners in Asia help in deals like Bridgelux, including its recent agreement with Toshiba to partner in its mass production? *(Note: See Red Herring's corresponding article on DCM's investments P. 80).*

A: Bridgelux's CEO knew the Toshiba management from his days as an Executive at Seagate, but I also flew to Japan multiple times for the deal. DCM is likely the only global firm with two full time Japanese partners and three Chinese partners. We've utilized those relationships to extend the reach of our companies like Bridgelux. I do not want to overplay our contributions, as Bridgelux has an experienced management team which has done prior deals in Japan, and they clearly led the Toshiba partnership effort. But our efforts certainly helped at critical junctures.

Q: What are your objectives when you make your first round investment?

A: We try to model out what the financials can become over time and ground ourselves in the gravity of creating a real business, not just funding the latest hype. This way, we don't have to depend on the flavor of the day and whether people love Groupon or not. If you build a real business that creates real profit, then eventually the investment return will take care of itself.

We all like talking about billion dollar companies, but as investors we are paid to make significant returns on our money. True, with Facebook you might have that several times over, but moments like Facebook happen very infrequently. The better question for a VC partner is: how do you generate a quarter billion dollar of returns for your investors out of perhaps three or four different companies in a fund? That's our focus.

Q: What are the best performance metrics?

A: It takes close to eight years on average now to exit a company. Most VC firms aspire to 3x returns at the fund level. With three times (cash on cash returns), you are doing your job all day long for your LPs. Just look at the Cambridge stats: excluding the bubble years, 3x is a great VC performer.

Q: Is the VC industry shrinking?

A: Massively. We looked at the VC firms which had raised at least one $200M fund. And we found 170 in the US that had ever raised such a fund. But among those 170, only 70 have been able create a subsequent, follow on fund over the past 5 years. The other 100 firms are genuinely dead or effectively dead. VCs take a long time to go out of business when they have 10 year fund cycles. The organization may not have ceased to exist as they wind down old investments, but it's not an active VC making new investments. The VC industry has already shrunk by more than 60 percent. So Michael Moritz was correct when he predicted that the contraction would happen; he just missed that it already has happened.

Q: Who are the best VC funds in the market today?

A: I was impressed when I saw that Red Herring ranked Accel as the number one firm in the world... in 2009. (Note: *Red Herring's* new survey will come out on June 30, 2013). That was gutsy. Accel has done a great job beyond just Facebook. If you look at which group has been able to scale venture investing styles, Sequoia is hard to ignore.

One of the challenges most firms face is transitioning through generational change. It's magnified today because the internet and social entrepreneurs are so dramatically younger. You have to bring in fresh vision, fresh networks. DCM did it with Jason Krikorian, Ruby Lu and Osuke Honda, while Accel and Sequoia have brought on a remarkable generation of younger partners as well.

Q: When will we see the next Facebook?

A: There won't be another Facebook for quite a while. Facebook was an exceptionally good investment. But you will see a couple more $10 billion market cap companies emerge over the next couple years. I think the mobile market will generate a big one. Plus there are lots of small plays that have figured out how to use the massive amount of data we capture. You should see a giant data analytics company emerging, maybe not in 2013, but in all likelihood by 2015. And despite Zynga's challenges, we expect a major outcome in gaming over the next two years. Some of the players have achieved mind blowing growth as the nature of entertainment moves to new genre games.

> **"Most of the companies that have gone public were right to do so, including Facebook."**
>
> PETER MORAN, DCM PARTNER

Q: How many times do you weigh the social value and the longevity of the deal versus instant returns?

A: That's a fascinating question, and there are a number of shades to it. We are paid as investors. Our job is to make money for our investors, with an understanding that there are areas like pornography and gambling that we don't go near. But we don't necessarily get paid to be the arbitrator of how society wants to decide economic value or spend its time. At some level we're driven to invest in companies that make great returns for our investors, even if they don't do a lot to promote social value. I would tell you personally, however, that several of our partners and other firms are questioning: why spend your life creating things of no redeeming value?

Gaming is an interesting case. I went through a soul searching phase where I said I just wouldn't do any more gaming deals. But as I started to study gaming more deeply, I learned that gaming often provides a lot of value. Take these massive multi-player games. You have to come together as a group and you cannot defeat the enemy without learning how to problem solve as a group, just as my partners and I have learned. That's a core life skill. I would argue that many forms of gaming, not all, are actually quite redeeming in terms of long term educational value.

But let's be honest. You shouldn't do something for social value that doesn't make money, that isn't a healthy economic proposition. VCs are ultimately judged on the deals that succeed. I read an interesting quote from Michael Jordan the other day. He said, "I missed 26 last second shots to win the game. I missed 26 times, failed and lost." Nobody remembers those and yet MJ is known as the player who would clinch a game. Clinching the game was considered his specialty, but he did not succeed every time. RH

DCM's Precious Gems

From gaming to next generation lighting to new approaches in mobile data, DCM's investments are beginning to shine.

No, there will not be another Facebook for "a very long time," maintains Peter Moran, DCM's early stage investor whose diverse investments range from quantum leaps in LED technology to novel gaming companies to new approaches to data packaging. Moran, however, does not require another Facebook to make his investors happy. All he needs are three or four sizable deals that can add up to a conglomerate Facebook.

"As an early stage investor, I pride myself on being the original investor in a company, and I strive to get north of 10x returns," Moran said. "But if you can just put in two 6x or 8x deals and return a quarter of a billion dollars to your investors, that's top of the line performance. Very few investors in the industry today are putting together a pattern of multiple successes, one right after another."

One investment that has Moran most excited is Trion Worlds, a gaming company that Moran was the first to invest in, right up to signing the proverbial napkin contract at the Village Pub in Woodside, which CEO Lars Buttler still has. Though some may snub the gaming industry after the recent declines in Zynga, Moran points out that Zynga continues to retain a hefty market cap with a sizable revenue stream. Far from dead, gaming is a multi-billion dollar industry that makes Hollywood and the music business seem cheap, with several gaming companies earning a billion dollars in annual revenue off one title alone. Specializing in visually stunning high end multiplayer gaming, Trion itself is proof that games can indeed provide sizable returns. Its first title Rift earned more than $100 million in revenue its first year. And that's just the beginning.

"We need to look at new forms of gaming," Moran said. "This next year will be the big twist in transformation from a one product company to a portfolio of games. Trion will transform from a single title, game developer to a multi title, game publisher, producing not only its own games but those of other people as well."

If only a portion of Trion's new gaming catalog does as well as its first game, "that could be a very exciting IPO by the end of next year," Moran said. "If you look back through time, how many companies earned $100 million in revenue their first year? This is a company that should be able to do several hundred million dollars next year." Moran eyes Trion as the next DCM gem to deliver 10x+ in returns. Such enthusiasm is shared by the industry. Moran told Red Herring that while meeting the company, a major debt provider in the Valley described Trion as "the most exciting deal in Silicon Valley."

Trion's board has the backing to deliver on such credentials, recently adding Peter Gotcher, chairman of DOLBY and on the board of Pandora, and Dominique Trempont, who was given the reigns of Next while Jobs focused on Pixar and is currently on the board of Real Networks.

Moran believes in variety, and he strives to keep his DCM portfolio as broad as possible. Another company hot on his radar is Bridgelux, a company that has developed a new approach to LED lighting using silicon. Bridgelux's LED lights cost a tenth of the traditional cost of lighting while producing 10 times greater efficiency than today's lights. The company's vision is to put their lights in every home, a prospect that will not only save people money but significantly lower greenhouse gas emissions.

"The environmental benefits are great, but we realized we had to save people obvious money in their pocketbook today," Moran said. "This technology offers a quantum leap that will absolutely change the world."

With 50 percent annualized revenue growth rates for the last five years running, Bridgelux is on track to earn more than $100 million this year. The company recently signed a joint agreement with Toshiba and will soon move to mass production of silicon LEDs.

To show off the third gem in his portfolio, Moran reached into his pocket and pulled out his Google Nexus phone, the flagship Android product. The phone has a port, which can be plugged into any standard HDMI screen to connect to a TV or other display screen. This not only recharges the device, but enables the phone to play movies, give presentations, and provide next generation gaming on any screen. And it's all possible due to a chip manufactured by Analogix Semiconductor, in which Moran is the original investor. The vast majority of smartphones use Analogix's technology.

The company has already sold several hundred million display ports at $1.50 to $3 a piece, propelling it to profitability for more than two years. As an early investor during Series A in 2002, it has been a long, slow ride for DCM, but one that will soon provide sizable returns.

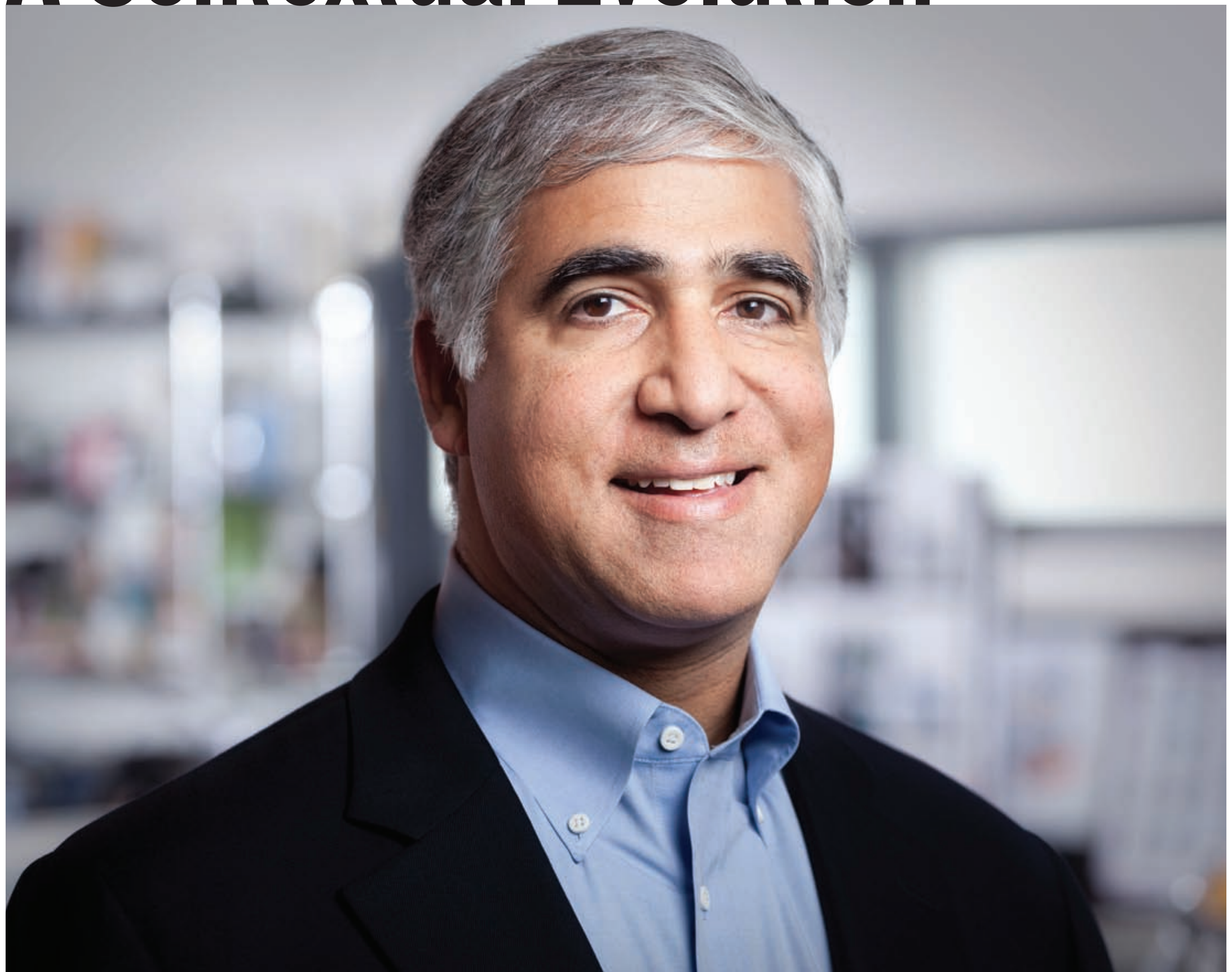
Another investment Moran is excited about this year is FreedomPop, an LA based company run by young entrepreneurs in their 30s that takes a Dropbox approach to mobile data packages. FreedomPop -"The Free Internet Company" - provides the first 500 megabytes of mobile data for free, and then charges for data after that, but at a much lower rate than mobile providers such as AT&T and Verizon. Charging less than the current data providers, FreedomPop relies on a viral model to expand.

And while the success of an investor is scored in the return rate, it also comes down to how those investments will change the world, Moran said. Making money in the process is only one step of the journey.

"Junk food sells, but who wants to invest in it?" Moran said. "We invest to make economic returns for our investors, but it ultimately comes down to creating real social value that can contribute to economies and ultimately benefit the world." RH

VC PROFILE

A Contextual Evolution



Plantronics CEO Ken Kannappan views the company's innovations as its biggest potential for revenue generation in its 51 year history.

Plantronics' innovations in contextual intelligence give headsets context on the user's life, creating an entirely new ecosystem for unified communications.

Plantronics, the audio equipment and consumer electronics firm, boasts an impressive 51 year history in the communications industry. In 1969 Neil Armstrong used a Plantronics headset to deliver his iconic phrase "That's one small step for man, one giant leap for mankind." But much has changed in the communications space since the iconic moon landing, and the company has come to reinvent itself, turning its focus to contextual intelligence.

Today, Plantronics is highly regarded by enterprises and contact centers, two of its primary markets. It has long been positioned in telecoms, but does not have that same recognition from IT departments, which have become increasingly important for the company in the evolution of unified communications that streamlines user experience across multiple devices and media. Plantronics leads mono Bluetooth sales in North America and has always been known as a brand for clear and effective audio, but in the consumer space it was only one of several in a crowded market. The company was the first to develop sensors and open APIs, but otherwise lacked significant differentiation beyond style and design. Plantronics was known for some of the best performing products in the industry, but it lacked consumer brand awareness. It took a number of years to surpass Motorola to become number one in the market.

Tough times forced the company to reevaluate its strategy. As much of its business relies on corporate replacement of headsets for new employees, 2009 in particular proved to be a difficult year for Plantronics as its stock fell to $7.80 (the current stock price is around $42). Plantronics took difficult steps to reduce costs, but nevertheless increased its investments in integrating sensor technology into its headsets to provide contextual intelligence. The move catapulted Plantronics into the software space, providing a complete platform for an entirely new ecosystem.

Contextual intelligence makes a phone, headset, and device aware of the behavior of the user to simplify that experience. It uses sensors to track presence, identity, proximity, and wearing state to provide valuable information to applications and other users. Contextual intelligence knows whether a user is on a call, which device she is using, whom she's talking to, whether she's wearing the headset, and how far away from the device she is. This enables the headset to automatically answer a call when it is put on. It can pause other audio applications such as music to answer a call or when a headset is taken off, automatically starting those applications again when the user is finished. Contextual intelligence narrows complicated tasks and services to one word commands, transforming the complexities of technology to a user friendly experience that is seamless and convenient.

Plantronics has gradually evolved its contextual intelligence offerings. It developed its first capacitive sensor two years ago, which enabled the phone to detect when it is on the user's head and which devices the user is near. The sensor allows the headset to instantly connect as soon as it is worn, automatically connect to a particular phone and immediately suggest connecting to any tablet or computer the user is near. The company then added information that allows others to know if the user is on a call on a different system. Just a few months ago, the company began passing caller ID across all systems, enabling a PC or tablet to instantly bring up data on a particular caller. It also added proximity, which allows the headset to detect how far away it is from various devices. Plantronics headsets can connect to multiple devices, including two simultaneous connections.

"We can reach out to all devices and services simultaneously, if anyone calls you across any device or service, you simply put on the headset and say 'Hello,' and Plantronics takes care of the rest," said Joe Burton, Chief Technology Officer for Plantronics. "It's contextual intelligence because we have context on your life. We're starting to see some fabulous applications being built."

Last May, Plantronics released a software development kit to launch an ecosystem around the new technology. The SDK has been downloaded several thousand times, with about 500 core developers actively using the system on a monthly basis. The company regularly sponsors a variety of weekend and weekday developer get-togethers to help nurture a community.

"We are seeing very positive momentum and solid metrics," said CEO Ken Kannappan. "We are focused more on impact than quantity, but we think it's going well. The key players we hoped would get involved have become active participants."

In addition to its development community, Plantronics works with a number of strategic partners, including Microsoft, Cisco, Avaya, and IBM. It recently partnered with PGi, a global leader in virtual communications, to leverage contextual intelligence in virtual meetings. Other integration partners include Datahug, Epilio, and Five9. Google and Yelp searches can be integrated with a user's calendar to provide intelligent results based on agenda. Calls can be instantly rerouted to a computer or tablet at a simple one word command. While traveling internationally, calls can be automatically shifted to a user's computer to avoid hefty roaming fees. The technology can be integrated with Salesforce.com to instantly bring up a caller's dossier, reducing 17 clicks in two minutes to two to three clicks in a few seconds.

> **"We are seeing very positive momentum and solid metrics and the key players we hoped would get involved have become active participants."**
>
> KEN KANNAPPAN, CEO PLANTRONICS

Although the company is three years into its contextual intelligence endeavors, it has yet to see a competitor offer anything comparable, Kannappan said. As a result, any unified communication system implementing contextual intelligence is using patented Plantronics technology, which the company is continually evolving, generating 30 to 40 patent filings every year. The IP includes over 2 million lines of code. Shipping those 2 million lines of code has a fixed R&D expense, so Plantronics products do not cost more to produce than their competitors, beyond the actual development of the technology. This gives Plantronics that unique differentiation it needs to stand out in the consumer space.

Just as headsets were mandated in the call center industry for health and safety reasons, more employees working with PCs will be required to wear them, according to Steve Blood, a Gartner analyst who specializes in unified communications.

"There is some danger in the headset getting commoditized, since you can buy a headset from so many different places," Blood said. "How do you choose one headset over another? Contextual intelligence enables Plantronics to show relevance in what they are doing. Plantronics' efforts in this space are really starting to recognize some of the challenges that employees have in the work environment."

Unified communications currently has about a 3 percent market adoption rate, and currently contributes to roughly 18 percent of the company's revenue. The number of UC clients for customer-premise-based solutions will experience a compound annual growth rate (CAGR) of 18.7 percent during the forecast period of 2011 through 2017, according to a recent Frost & Sullivan report. Plus, only about 7 percent of corporations currently use headsets, a

Joe Burton, Chief Technology Officer for Plantronics, helped develop the company's contextual intelligence technology

number expected to soon grow to over 60 percent as unified communications gains more momentum, according to Plantronics' own research. As the business and consumer communities embrace unified communications, Kannappan estimates that UC represents the largest revenue and profit opportunity in the company's 50 plus year history.

Yet Plantronics' story is just getting out. Gartner and other analysts are well aware of the company's technological advantage, as are early adopters in the IT community such as Microsoft and Cisco, Kannappan said. Plantronics was recently awarded Frost & Sullivan's 2013 North American Visionary Innovation Award in the Headsets sector for "its unwavering commitment to innovation and customer value," which has made it the "undisputed market leader," according to the Frost & Sullivan report. Most corporations, however, remain in the dark, continuing to think of Plantronics as merely a headset company.

"We will see the growth (of contextual intelligence) if people understand the true value of having that capability," Blood said. "The key thing is until it becomes out of the box and readily available, you need the discovery exercise to understand the opportunity and how to affect a more efficient way of working."

Yet to truly be the leader in contextual intelligence, Plantronics will need to better monetize the technology.

"There is still a big market out there for wearables, and Plantronics is well placed," Blood said. "I haven't seen any other headset company doing what Plantronics does. Plantronics is a very innovative company, and if they can continue to demonstrate the usability of this, they will monetize it and then you can say they are a leader. When you look at what they put into a headset, it's amazing how small the technology has become."

Kannappan expects contextual intelligence to be a quantum shift for the company. Though it had a strong position in the headset market, in the past Plantronics relied on integration with its partners, but could not grow beyond them. "New open platforms like unified communications and the proliferation of devices brought us some good luck," Kannappan said. "All of a sudden, the ecosystem has opened up in a way that allows us to add value vertically. We can suddenly connect to very interesting worlds of possibilities."

Plantronics' innovations in contextual intelligence have transformed the company from just being an enabler to becoming a complete platform and coordinator of all the elements of an IT ecosystem. For a company with such a rich heritage in communications, Plantronics and its shareholders will hope that the move towards contextual intelligence is a giant leap in the right direction. RH

THE TOP 100 WINNERS

TOP 100: AMERICAS

Renaissance

Undaunted, North America's Entrepreneurs Bounce Back Through Resilient Innovation.

Today in the USA, the maturity of computing and internet technology is demanding a new generation of projects and entrepreneurs. They are here. And they are featured in the Red Herring North America 2012.

Red Herring is witnessing the largest wave of disruptions ever seen in the industry. Companies in big data, storage, web optimization advertising and enterprise software are taking advantage of the wide acceptance of virtualization, cloud computing or SaaS models. Their expansion and trailing revenues are routinely in the tens of millions of dollars. Four years after inception, many break-even and go global. Their CEOs, many of them repeat entrepreneurs, take no prisoners, won't accept no for an answer and an increasing proportion are in the game for the journey, not just for the monetary rewards. To paraphrase Steve Jobs, they are revolutionizing everything we took for granted. It is about time.

For almost a decade causal observers of the North American tech industry have painted a gloomy picture for investors. The after effects of the dotcom bubble remained and return on investment was low. IPOs dried up and almost reached a complete halt during the first half of 2009, when figures reached a historical low. Since then the industry has begun its march to recovery.

The Red Herring North America class of 2012 will soon come of age and is showing strength and resilience during the recovery. Their management teams are brutally efficient and glowingly profitable. After a year, it's clear that the group as a whole is exceeding all expectations. And this is just the beginning.

In order to justify such enthusiasm, we have expanded the length of each article featuring the Red Herring America Top 100, making them more engaging and interesting to you, the reader. We hope you will enjoy getting acquainted with them. RH

The 2012 Winners: A-Z

10gen
Abine
Accurence
Adap.tv
Adaptiva
Agilyx
AlienVault
Alpine Data Labs
Appcelerator
Artisan Infrastructure
AutoClaims Direct
Azzimov
Backupify
Beat the Traffic
BloomReach
Broadway Technology
ChaCha Search
ClearSlide
Clickatell
Cloudera
Content Raven
CrowdFlower
Cvision Technologies
DealerSocket
Doximity
Easy Solutions
Ecospan
Ensim
Everyone Counts
Exinda
Extole
Fishbowl
ForeScout Technologies
Fusion Optix
Genwi
Gigya
Glaukos
Global Analytics
Global Village Concerns
GPS Insight
GumGum
HyperOffice
Infoaxe (Flipora)
Innotas
InVisage
Jaspersoft
Kabbage
Liaison Technologies
LightSail Energy
Madison Performance Group
Market Force
MedAvante
Memoir Systems
mobileiron
MyLife
Ncomputing
Nexsan
On Demand Therapeutics
Ontraport
Ooyala
PageFreezer Software
Palantir Technologies
PaySimple
Ping Identity
PlayPhone
Puppet Labs
Pure Storage
QuantiSense
Radisphere
Redpine Signals
RedSeal Networks
Retailigence
Return Path
Revionics
Rimini Street
RingRevenue
SalesPortal
ScaleXtreme
Scality
ScienceLogic
SendGrid
ServiceMesh
Silver Tail Systems
Skyfire
SoftLayer Technologies
SolidFire
Solver
Sonatype
Sumo Logic
Talenthouse
Tecplot
Tegile Systems
Trilliant
Turn
UpWind Solutions
US Liner Company
UsTrendy
VigLink
Vindicia
Wajam
WideOrbit
Zaarly
Zencoder
Zenoss
Zmags
RH

10Gen

Company: 10gen
URL: www.10gen.com
CEO: Dwight Merriman
Sector: Computers/Software
Country: USA
VC$: Yes

Space or productivity? It's a question that has plagued database developers for years. If space is given priority, a developer will be able to store large volumes of data, but their database may be slow and inefficient. If, on the other hand, a developer chooses productivity, their efficient database may face limitations on the amount of data that it can store.

But what if developers didn't have to choose? That is the idea behind software company 10Gen's product, MongoDB. MongoDB is an open-source database that reconciles competing concerns over space and productivity. It enables developers to handle large volumes of data with speed and agility.

The key to MongoDB's breakthrough is that it employs a document-oriented database, rather than a relational database. This difference means that the solution stores data in documents rather than in tables and rows. The result is a product that 10Gen CEO Dwight Merriman calls a "new way to do databases."

Merriman, formerly founder and CTO of DoubleClick, does not appear to be alone in his favorable assessment of MongoDB. Users worldwide also seem to have recognized the disruptive potential of the open-source database. Since the product debuted in 2009, there have been over 140,000 downloads per month. Collectively, MongoDB is estimated to have been downloaded 2.5 million times.

In addition to open-source users, businesses also appear to understand the database's potential. Today, 10Gen offers support services for MongoDB to 500 corporate customers, including Disney, EBay, FourSquare, and The New York Times. The diversity of these companies is a testament to the broad appeal of the product. MongoDB can be used across industries, and by anyone from a large enterprise to a single individual.

This broad appeal has allowed 10Gen to rapidly expand its international footprint. The company has offices in both the U.S. and in international hubs like London and Sydney. Apart from its offices, 10Gen has also established its presence worldwide by hosting MongoDB conferences. On average, the company hosts 25 to 30 full-day conferences each year for its product, in various locations around the world.

The conferences have been an eye-opener for Merriman as to how quickly his company has grown. The 10Gen CEO recalls going to local-level conferences and seeing over 1,000 people in attendance.

"That has been amazing to see that kind of turnout," he said. "I think that's atypical and it's really blown us away."

Looking ahead, Merriman now believes that the greatest challenge for 10Gen is to operate and execute efficiently. The company must be efficient if it wishes to compete with veteran firms like Oracle and claim a share of the $30 billion database software market.

Still, 10Gen has every reason to be optimistic. The company recently raised $42 million in a spring round of funding. This amount brings the total investment in 10Gen to $73 million. Armed with this investment, 10Gen may be on its way to making MongoDB into the default database for developers, or as Merriman put it, the "Red hat of databases." RH

Abine

Company: Abine
URL: www.abine.com
CEO: William Kerrigan
Sector: Security
Country: USA
VC$: Yes

Who is selling your personal information on the Internet? What personal details about your family, home, profession, or religious affiliation lurk online? Abine not only spots who's watching your online persona, but also roots out potentially risky info on yourself and family before the thieves show up at your door, bank account, or kid's day care center.

Abine provides personal information protection for the web. Downloaded over 2.2 million times since its February release, its free tool, DoNotTrackPlus, identifies which companies are tracking you on the websites you visit and blocks them. With thousands of users, its premium DeleteMe service locates and deletes personal information already online. Another paid service, PrivacyWatch, informs users on how to maintain their privacy on Facebook and other social sites. With thousands of participants, PrivacyWatch also monitors Facebook to update users whenever the social network makes changes that could impact user privacy.

"The lack of online privacy is a big problem, and it's only getting worse," said William Kerrigan, CEO of Abine. "People are beginning to understand that their personal information is up for grabs. We give people the ability to control and manage their personal data in order to re-balance the web in favor of the consumer."

It's a problem Kerrigan compares to the early days of virus protection, back when few people had heard of malware protection until viruses like ILOVEYOU and Code Red struck, and then suddenly services like McAfee found themselves immensely popular. Kerrigan ought to know. As McAfee's Executive Vice President of Worldwide Consumer Business for five years, he grew the business from $80 million to $500 million.

Privacy concerns have only grown in the wake of security breaches at sites like Yahoo, Zappos, and LinkedIn.

"Privacy protection is the next big wave, as large as virus prevention," Kerrigan said. "Since our February release of our free service, we've skyrocketed our base. This year, privacy tools are expected to grow to more than 30 million users, and we hope to capture a sizable portion of that base."

The company was founded in 2008 by Eugene Kuznetsov, Andrew Sudbury, and Rob Shavell, a group with a strong technology heritage from MIT. The co-founders developed the solution over several years. In July 2011, they landed $5.2 million in venture funding from Atlas Ventures and General Catalyst Partners.

After about a year in beta, the company followed this past winter's release of its free service with its paid services. Abine's traffic increased five times in the first several months of the year. That growth alone is a good indicator the company is onto something. As its base widens, the company follows a steady path to become a leader in a market that has ample room for growth.

The company is getting ready to raise a new round to expand in the US and grow exponentially in Europe. It also plans to release a new mobile platform in the next few months. Kerrigan views the market as a multibillion dollar opportunity.

Privacy concerns aren't going away. Abine's growing footprint means it's on the right track to filling a space in a market that expands with the evolution of the Internet. RH

TOP 100: AMERICAS

Accurence

Company: Accurence
URL: www.accurence.com
CEO: Romney Williams
Sector: Software
Country: USA
VC$: Yes

Most homeowners insurance adjusters arrive at the scene of an insurance claim with a pen, a pad, and an educated guess. Just like the iPod revolutionized how we listen to music by putting "1,000 songs in your pocket," SettleAssist by Accurence puts over 2,000 guidelines and calculations in an adjuster's pocket to help eliminates the guesswork and inaccuracies commonly associated with homeowners claims settlement. The iPhone or iPad app transmits inspection data to the cloud and processes it through a client-configured rules engine. This results in a scope of work and integration of important workflow steps and third party systems including aerial measurements, labor and material pricing, and photo documentation. Claims results are more systematic, accurate and faster than the educated guess upon which most insurance companies have been reliant for generations.

"Insurance companies pay out billions of dollars each year on wind and hail claims alone. Our clients make fewer over-payments, but more importantly, fewer under-payments that could expose them to lawsuits or require costly re-inspection." said Romney Williams, President of Accurence.

The company was founded as an inspection service provider to insurance in 2005 as Lautriv (the company uploaded "virtual" inspections to desk adjusters for review). The major pivot for the company came in 2008, after three years of challenges connecting field inspection data to a qualified, guideline-compliant scope of repair and estimate. The company, which eventually re-branded as Accurence (a hybrid of accuracy and intelligence), began building a cloud-based rules engine configurable by client as well a user interface with iOS, a web app, and in beta for Android devices. The initial development was funded by Farmers Insurance, but more important to the project's success was access to data regarding 1.2 million Farmers claims and a dedicated joint team of experts.

Today, the company serves 7.5 percent of the US market and is rolling out with one of the largest roofing contractor networks (9,000 users and growing). It is in the pilot stage with 3 additional top 12 carriers and has received considerable interest from numerous others.

"The value proposition resonates very quickly when we're talking with prospective customers," Williams said. "We tend to see an 'ah-ha' moment quickly, when they realize the sheer potential of what this technology means."

Upfront, it means a 5 to 10x ROI for clients, which can easily be 10s of millions of dollars. The solution not only makes processing claims more accurate, but also decreases the typical time onsite per claim (1 hour 50 minutes) by approximately 25 minutes. Is also simplifies adoption of new or revised carrier rules. One large insurance carrier needed to change its rule for factoring waste on a certain roofing material, a change that would have taken six to eight months to achieve 60 percent adoption by field adjusters. Accurence was able to adapt the client's rule in SettleAssist to ensure universal application in a matter of minutes, thereby impacting the client's accuracy in claims settlement payments by $4 million to $7 million per year.

Since pivoting to become a software company in 2009, the company has raised a small angel round and accepted client prepayments to fund itself. The company competes against Comtec and MSB.

"You take the widespread adoption of technology in the insurance industry, the void in the work flow that only we serve, and the ROI we deliver our clients, and the value proposition is clear," Williams said. "It's a perfect storm in our favor."

Adap.tv

Company:	Adap.tv
URL:	www.adap.tv
CEO:	Amir Ashkenazi
Sector:	Internet & Services
Country:	USA
VC$:	Yes

Founder Amir Ashkenazi started Adpt.tv with one goal in mind - to make buying online video and TV advertising as simple and understandable as buying a pair of sneakers online. He had already launched Shopping.com, which went public in 2004 and was acquired by eBay in 2005, so he understood ecommerce's power to change the marketplace. Ecommerce gives sellers and buyers a direct link. Why not do the same for online video advertising?

Traditionally, the buying and selling of video advertising has been largely fragmented, involving a string of agencies and marketing bodies that in effect dilutes the value obtained for both buyer and seller. Often 60 to 70 percent of the purchase value of advertising gets lost between buyers and sellers through traditional, manual and indirect trades, explained Ashkenazi, who serves as Adap.tv's CEO. Adap.tv doubles the value for both advertisers and publishers by allowing them to directly exchange on a unified platform "that's the shortest path between buyer and seller in the world of video," Ashkenazi explained. Adap.tv's scalable platform can adjust to the surpluses and demands in the marketplace, providing a direct sale that's more efficient for the buyer while optimizing the revenue of the seller.

The company rides two monumental trends- the explosion of online video and the transition to programmatic buying and selling in which sellers and buyers use automatized tools to transact. The company earns money by taking a cut of each transaction made on its platforms.

"The process used to sell TV advertising for the last 50 years is not transferable to the new world," Ashkenazi said. "There are massive inefficiencies in the market. We see a tremendous market opportunity in a unified platform that creates the shortest path between buyers and sellers."

Creating a more direct link gives the company considerable leverage in the $75 billion TV and online video advertising market. Ashkenazi launched Adap.tv in 2007, and spent the next several years developing the platform and the marketplace, initially rolling out the service as a publishing platform before launching the marketplace in February of 2010. It began with a small subset of publishers that it soon massed to hundreds. The company then offered support for mobile and connected TV in November of 2011, and then private marketplaces for premium publishers in January of 2012. In May of 2012, the company offered an app center that allowed other advertising technology companies to seamlessly integrate their own solutions within the Adap.tv platform.

It's been a gradual process that the advertising world has made in steps, Ashkenazi said. While in the past, publisher used the company's tools predominantly for unsold, remnant inventories, more publishers are using now using the Adap.tv platform to empower their direct sales team. For them it is like moving from selling door-to-door to opening an amazing web store, Ashkenazi explained.

"Buyers look for platforms that will holistically allow them to plan, buy, optimize and measure across sites and devices, and we've developed exactly that," Ashkenazi said. "As a result we've seen massive growth."

Tripling its publisher and advertising base year over year, the company today works with 48 of the top 50 brand advertisers, and is responsible more than one in nine of all online video ads in the United States. Adap.tv serves publishers and advertisers in North and South America, Australia and Europe. Clients include AOL, Demand Media, Gannett and Microsoft.

"These trends are global phenomenons and have really enabled us to gain significant footing throughout the world," Ashkenazi said.

With online video being the fastest growing segment in digital advertising, Ashkenazi estimates that the space is large enough for several billion dollar players, and Adap.tv is well positioned to be one of the big ones. Riding a number of micro-trends, the company revolutionizes the marketplace with a clear value proposition that easily resonates.

"This is the dream of every entrepreneur- after years of hard work to find yourself in the center of a huge, fast-growing market and have a really great product," Ashkenazi said. "People realize there is a new way to buy and sell TV and video advertising, and we offer the most direct link in the industry."

The company has 120 employees and has received $43 million in venture funding from Bessemer Venture Partners, Gemini Israel Funds, Redpoint Ventures and Spark Capital.

Adaptiva

Company:	Adaptiva
URL:	www.adaptiva.com
CEO:	Deepak Kumar
Sector:	Computers/Software
Country:	USA
VC$:	No

Adaptiva began with a conversation with Bill Gates, who was so excited by the idea that the expletives poured like wine, remembers Todd Floyd, Vice President of Sales and Operations for Adaptiva. Though the company's focus would prove too cumbersome for Microsoft to carry itself in short order, the company's roots began with the computer giant. Specializing in configuration management, the company's suite of solutions enhance the performance of Microsoft's Configuration Management Product by schematizing the management process, simplifying the delivery while providing an investment return within days or even hours of installation.

Its OneSite product enables organizations to manage Microsoft SCCM in complex global networks from a single site, eliminating the need for server infrastructure while delivering any content to any PC at any time, day or night. Its Green Planet solution simplifies updates and patches to computer systems while saving about $5 per month in electricity per device. The product automatically wakes systems up for management and repair, bedding them down upon completion. Its Client Health product automatically diagnoses and fixes malfunctioning systems, complete with custom checks and remedies that don't require a line of code. The software takes six minutes to install and requires no integration.

"From a systems administrative standpoint, we eliminate the burden of distribution," said Floyd. "The customer creates the change, Adaptiva sends it, and the solution utilizes existing bandwidth and immediately backs off if other traffic exists. Our clients don't need to support and administer huge amounts of servers, and the end users get what they need, when they need it. Our clients not only benefit the environment, but they save themselves a fortune."

Simply removing 50 distribution points would save a company north of a million dollars, Floyd stated. One client took out 1,800 distribution points and avoided $17 million in costs. "The ROI is very quantifiable," he said.

That kind of math leads to serious multiplication, Floyd said. Serving customers in 15 different countries, Adaptiva grew 240 percent of its previous year's revenue in the first quarter of 2012 alone. Floyd anticipates the company growing 900 percent for the year.

It's been a long time in coming. After receiving considerable encouragement to pursue the solution from Bill Gates, CTO Deepak Kumar founded the company in 2004 and spent six years with an engineering team building the basis of the technology, which continues to evolve.

Bootstrapped, the company is profitable at high margins. Floyd expects the company to earn revenues north of $20 million in the next five years. Though a merger or an IPO would make a nice exit, Floyd said the company's only focus right now is growth, continued high levels of customer satisfaction, and expanding not only the customer base but also the platform to tap into new markets.

Adaptiva's architectural advantage is the ability to take any unused bandwidth and harvest it, which simply isn't being offered in the marketplace. As the only current player with years of R&D as a head start, it is poised to lead a market where the ROI is immediate and real.

"Since there only has been one choice for many years, we have competed and won against these already installed accounts," Floyd said. "What we offer simply isn't available anywhere in the market."

Agilyx

Company:	Agilyx Corporation
URL:	www.agilyx.com
CEO:	Ross M. Patten
Sector:	CleanTech
Country:	USA
VC$:	Yes

Plastic is essentially crude oil with a few contaminants thrown in. Agilyx turns difficult to recycle plastic back into crude oil, transforming waste plastic materials into a viable energy resource fully capable of making unleaded gasoline, diesel or jet fuel. The company uses a thermal chemical process to distill off the hydro carbons in a de-polymerization process that separates out the additives, resulting in a synthetic crude oil that's a drop in replacement for fossil fuels.

"There are no other alternative energy technologies that can take any feed stock and turn it into crude oil," said Chris Ulum, President of Agilyx. "Every barrel of crude oil we produce doesn't have to be drilled from the ground or purchased from increasingly hostile countries. Instead of being buried in a landfill, the plastic becomes a fuel resource that effectively works as a barrel of crude oil.

"It's difficult to recover plastic economically," Ulum added. "We keep plastic out of the landfill by making it a valuable resource that in turn helps to solve the energy crisis."

Roughly 10 pounds of plastic can make a gallon of oil, at about 420 pounds per a barrel, depending on the quality of the plastic. Agilyx creates building modular blocks for a recycling technology that can essentially be daisy-chained together, resulting in a scalable solution. It enables customers to produce anywhere from 50 to 100+ barrels of oil a day, depending on how deeply scaled the system is. Agilyx sells the systems to companies that then manage the production and takes a cut of ???????WHAT IS THIS

Founded in 2006, the company's first five years were spent on R&D before getting a recycling facility up and running in 2010. The first couple of years were spent on pilot programs, earning revenue in the hundreds of thousands of dollars as the system was tested. The company today runs about three facilities, earning over $20 million in 2012 with plans to multiply that revenue considerably by 2013.

The company has had $53 million in investment and expects to be profitable by 2013.

With seven to eight percent of all oil used to create plastic, there is plenty of raw material to keep the converters running, Ulum said. Considering the 19 million barrels of oil used daily to feed fuel consumption in the US alone, the company's market is staggering, Ulum said.

Not focused on an exit, Ulum's goal is to simply build a solid company that can alleviate the waste stream while helping to provide a solution to fossil fuel dependence.

"The importance of our mission is what drives Agilyx on a day to day basis," Ulum said. "We're motivated to get up and work hard every day by what we can do for the earth."

Creating usable oil from trash, the company's business plan couldn't be any greener, both from an environmental as well as a dollar perspective. It is well positioned to disrupt the plastics recycling industry, tapping much needed fuel directly from the landfill.

AlienVault

Company:	AlienVault Inc
URL:	www.alienvault.com
CEO:	Barmak Meftah
Sector:	Computers/Software
Country:	USA
VC$:	Yes

Based on the widest used SIEM open source platform, AlienVault combines all elements of security, from intrusion detection to vulnerability measurement to network monitoring to asset inventory management, into a single Unified Security Management (USM) platform. Its SIEM product then compiles all the data from a company's IT assets, and through its advanced correlation engine, bubbles up the most important and relevant information so that companies can make sense of it all. The company claims to be the only one to offer Unified Security Management under a single solution.

Not only do its customers make sense of their data from a security standpoint, but they do so at a considerable cost savings, as all levels of security are covered in a single package. And because AlienVault bases its enterprise system on OSSIM, the de facto standard open source SIEM with over 160,000 downloads and users in 80 countries, its commercial customers benefit from the lessons learned through so many SIEM installations. In addition, both OSSIM users and commercial customers get access to the Open Threat Exchange, a crowd source library of threats observed in real time through one of the world's largest open source security platforms.

The company was born out of necessity. AlienVault founders Julio Casal and Dominique Karg started in the 1990s providing managed security services for large companies in Spain. As threats increased, they found it difficult to keep up with the growing number of security tools and dashboards. The two decided to start an open source security platform that provided all security functions under one roof. The popularity of the downloads inspired them to launch AlienVault as a company in 2007. They spent 18 months to two years developing the Unified Security Management platform based on the open source plan, providing richer tools and data assessment features.

The company landed its first sale in 2009, and quickly reached 250 customers, a feat which attracted some heads working at HP. AlienVault's CEO Barmak Meftah and AlienVault's executive team had previously founded Fortify, which was acquired by HP. The team immediately saw the value AlienVault had to offer, as it had a wide customer base with very little marketing. A number of heads at HP left to help expand AlienVault's footprint.

For 2011, the company grew at 100 percent, and then achieved 150 percent growth in the first half of 2012. Today, AlienVault serves over 300 customers, adding another 40 every three months. The company invests a large portion of its revenue back into the product and its sales team, and expects to be profitable at the end of 2012.

The company has had $8 million in investment from Trident Capital, and recently closed on a $22.4 million Series C round led by Kleiner Perkins Caufield & Byers, and Sigma Partners, which plus an initial investment from Adara Venture Partners brings its total funding to $35 million.

With the SIEM market alone standing at $1.3 billion and growing 10 percent annually, the company faces a huge market as it addresses a range of security needs with its all in one approach. Meftah envisions an IPO in the next three to four years. Considering the wideness of the company's platform and the rich market it serves, such a fast turn around is entirely plausible.

Alpine Data Labs

Company:	Alpine Data Labs
URL:	www.alpinedatalabs.com
CEO:	Tom Ryan
Sector:	Computers/Software
Country:	USA
VC$:	Yes

For those in the field of predictive analytics, it's the 1970's all over again. But don't break out the disco records and platform shoes just yet. The point, instead, is that predictive analytics today feels much like the early days of computer programming in the 70's, a time in which the field was dominated by a small community of scientists. The scientists may dominate for now, but that stands to change in the next few years. Leading the charge is Alpine Data Labs, a two year-old firm, with offices in San Mateo and Beijing.

Alpine offers predictive analytic services for the rest of us. According to CEO Tom Ryan, the company aims to "democratize the world of predictive analytics." The company delivers on this promise with a product that can be used by anyone from the traditional data scientist to the business analyst to the casual business user.

The key to Alpine's "democratization" lies in its avoidance of traditional big data analytic solutions. Traditional solutions require users to move data into their applications before analytics can be run. This requirement is problematic because it increases the amount of time required for analytic jobs, is error prone, and doesn't allow for rapid iterations. In contrast, Alpine Data Labs take an inverse approach. Alpine's technology is "database-agnostic", pushing applications to the data, rather than vice-versa.

The technology is also fundamentally different because it does not require programming skills. Using Alpine's products, users can build predictive analytic models with a simple drag and drop approach. The ease of this approach is certain to appeal to "aspiring data scientists", the kind of individuals Ryan believes, "have some skills, but are looking for a technology that is easier to use and easier to adopt."

Aspiring data scientists can choose between two of Alpine's products, depending on their needs. For those users seeking to create models and workflows, there is Alpine Modeler, which offers a full design environment that is sure to be an asset in data intensive projects. If, on the other hand, a project is not nearly as intensive, an aspiring data scientist's needs are still served with Alpine Analyzer, a lightweight, web-based product that helps users to change parameters and workflows, without necessarily creating any core content.

To date, Alpine's products already appear to have struck a chord with consumers. The company began shipping its products at the end of 2011 and already boasts twenty-five global customers. These customers stretch across six industry verticals, to include companies in fields as diverse as retail, healthcare, and media entertainment.

As a young company, Alpine is not content to rest on its laurels yet, though. Within just the last four months, the company has doubled both the size of its staff and the number of its customers. This expansion comes on the heels of receiving approximately $8.5 million in Series A funding. Alpine plans to pursue further expansion by seeking Series B funding in the first quarter of 2013. With this funding, the company envisions aggressively growing its customer base and breaking even by 2014. If these goals can be achieved, Alpine stands to sweep through the field of predictive analytics in a veritable avalanche of change.

Appcelerator

Company:	Appcelerator
URL:	www.appcelerator.com
CEO:	Jeff Haynie
Sector:	Mobile
Country:	USA
VC$:	Yes

Appcelerator produces Titanium, the leading mobile platform chosen by thousands of companies with more than 50,000 applications deployed on 75 million devices, leveraging 5,000 APIs in the creation of native iOS and Android apps, and HTML5 mobile web apps.

A combination of open source and patented technologies, Titanium comes in a commercial subscription for an enterprise grade version as well as usage based services for its cloud offering.

The company was founded in 2006 by CEO Jeff Haynie and CTO Nolan Wright to help developers create initially rich applications for web, desktop and mobile. Appcelerator serves over 350,000 registered developers who have launched 50,000 applications. The company's clients include NBC Universal, ZipCar, LEGOLAND, eBay, Medtronic, and Michaels.

Last November, Appcelerator purchased Nodeable, a company that offers data processing complementary software packages for Hadoop.

Headquartered in Mountain View, Calif. with offices in San Francisco, the UK, Beijing and Tokyo, the company has raised over $50 million in venture funding from Storm Ventures, the Mayfield Fund, Relay Ventures, TransLink Capital, and Sierra Ventures. The company has over 135 employees. RH

Artisan Infrastructure

Company: Artisan Infrastructure
URL: www.artisaninfrastructure.com
CEO: Brian Hierholzer
Sector: Computers/Software
Country: USA
VC$: No

A Texas-based company, Artisan Infrastructure is redefining the cloud computing space at a fast rate (over 120 percent CGR annually) through a wholesale only solution that gives its customers complete control and visibility over their infrastructure. Practically, CIOs and CFOs whose teams have migrated their applications in the cloud must eventually face the cost of building an expensive infrastructure when the company masses to any considerable size, an annual price tag of millions of dollars for some providers. Artisan, however, disrupts the space by providing a non-competing infrastructure at a fraction of the cost, freeing valuable cash for its clients. The Austin based start-up is essentially emulating the model built by Tech Data and Ingram Micro in the PC industry 30 years ago, but specifically designed for the cloud: a low cost, highly scalable infrastructure for corporate players worldwide.

"We realized that what's missing in the build versus buy scenario from an infrastructure as a service standpoint are the tools to customize and understand the system," explained Brian Hierholzer, President of Artisan Infrastructure. "We automate control and security with complete visibility as if you owned the infrastructure. We are the service providers' service provider."

Hierholzer understood the problem because of his rich background in telecom. Prior to Artisan Infrastructure, he worked 12 years in the wholesale telecom space, including running half of the country for New Edge Networks, one of the first tier two and tier three digital wholesale providers.

Hierholzer first saw the missing link in the market while working to build a cloud portfolio for another telecom company where he worked as CEO. The traditional cloud hosts lacked autonomy, control, security and visibility.

"How could we troubleshoot an underlining storage system at the time we needed it, rather than open a ticket to a third party vendor?" Hierholzer said. "That was our 'aha' moment. We realized there was a massive gap in the market."

The company launched its services in late 2010 before seriously hitting the market in early 2011. It started with a couple hundred service providers, many of which were small, 15-employee shops that have since matured into hundred million dollar to billion dollar companies. The company today serves over 250 cloud service providers, some of which in turn serve several hundred service providers themselves, so its client number base is not a complete picture of its scalability. Its base has had a 20 percent compound monthly growth rate. Self-funded, the company has been profitable since its beginning.

Hierholzer likened the current cloud market to the telecommunications boom following the deregulation of the industry when everyone on earth seemed to launch a telecom effort with VC backing. Digg was recently sold for $400,000 after $46 million of investment, Hierholzer pointed out. Likewise, how many of these cloud providers will still be around once the cloud bubble pops? By offering a unique wholesale cloud solution with visible management capabilities, Hierholzer hopes to build this company for the long term with no plans to entertain an acquisition.

"We'll control our own destiny and grow methodically, growing as our revenues drive us to build. There's no need to get ahead of ourselves with a growth plan that continually requires funding," Hierholzer said.

Just two years old, the company is fast approaching the $10 million run rate, and will soon turn to bigger projects to further propel that growth. Hierholzer expects the company to reach at least $100 million in revenue in the next few years. Currently serving only the US, the company strives to tackle the Europe market by the beginning of next year. RH

AutoClaims Direct

Company: Azzimov
URL: www.azzimovcorporation.com
CEO: Benoit L'Archeveque
Sector: Social Network/Media
Country: Canada
VC$: Yes

A technology and claims services firm serving the property and casualty industry, AutoClaims Direct takes a different approach to traditional claims processing through its solution that combines appraisals and claims technology in a single platform. Its user friendly product DirectLink, including a version for property and another for automotive, allows users to use their own staff or draw from AutoClaims' network. Not a vendor, the company strives to build partnerships with its clients to become an extension of the claims team. Its team includes industry trained professionals who have worked with some of the biggest insurance names in the business, and hold such certifications as SCLA (Society of Claims Law Associates), Six Sigma Black Belt, Certified Arbitrator, I-CAR, and ASE.

AutoClaims Direct has been listed for the last four years on the Inc. 5000 List of Fastest Growing Private Companies in America, and Deloitte Technology Fast-500 in 2010 and 2011. The company is based in Carlsbad, CA. RH

Azzimov

Company: Azzimov
URL: www.azzimovcorporation.com
CEO: Benoit L'Archeveque
Sector: Social Network/Media
Country: Canada
VC$: Yes

You know that your company is doing something right when words must be invented to describe its product. That is precisely the situation encountered by Benoit L'Archeveque and his company Azzimov.

Azzimov is a start-up that aims to give online retailers' products a social life. The only problem is that, initially, the company's methods for doing so were linguistically undefined. As a result, L'Archeveque and his team became amateur linguists during the development stages of their product. The founder comically remembers early characterizations of Azzimov's product as a

"Perpetual Wizard Network (PWN)." In a team full of video game enthusiasts, the product's acronym PWN – the same acronym used in online games like World of Warcraft – became a constant source of jokes.

Names aside, however, Azzimov is no laughing matter. The company is poised to profoundly change Internet usage with a socially-driven, product-centric search platform. L'Archeveque described the platform as a tool that "deconstructs each webpage and retains only the product or the things that actually define the product–not the attributes, but the knowledge that goes behind the product."

Azzimov's method is disruptive because it goes against the prevailing paradigm of online search. Today, searching the internet is a process of matching keywords and patterns. Users of Google and other search engines type in the phrases that they believe best characterize a given product. This process is inherently flawed, according to L'Archeveque, because "it's not finding, it's guessing."

The founder aims to fix this problem with a search engine that learns from you, "instead of having you train yourself to be better at searching." The search engine learns from users with an artificial intelligence (AI) system that works in real-time. Over the course of searching, Azzimov's platform learns how to serve users and delivers them results built around the DNA of a product. Users will be presented with the product that they desire, a list of which online retailers have it, and the reactions of people in their social environment who are in contact with the product.

These features give Azzimov the potential to disrupt online search, a market where 3 trillion dollars of products are exchanged annually in North America alone. The firm is currently testing its platform with internal partners in preparation for an eventual launch. When the time does come for the platform to launch, L'Archeveque anticipates revenues in the millions. His confidence stems from a belief in Azzimov's revenue model. The model employed by the firm sells leads to online retailers, giving them qualified customers. The result, in the founder's words, is that "for each dollar you spend, you know you're going to be able to sell something."

If those results sound too good to be true, just consider Azzimov's track record. The firm has received over $3 million in investment and offers an entirely new way to capture, store, and display data. Furthermore, as L'Archeveque himself points out, "Every time we talk to a CEO, they don't believe it until they see it. And when they see it, they don't believe it." RH

Backupify

Company: Backupify
URL: www.backupify.com
CEO: Rob May
Sector: Cloud Computing
Country: USA
VC$: Yes

Confidence and cloud are two words that have yet to become synonymous. Despite the growth of cloud computing, many businesses still harbor doubts about the safety of moving their IT operations into the cloud. Such businesses understand the need to offload their application infrastructure, but they feel reluctant to turn over their data too. After all, a failure could mean the loss of data, a business's most important asset.

Fortunately, the cloud now has a tool for preventing potential data losses. The answer is Backupify, a Cambridge, Massachusetts-based start-up that protects cloud data from malicious deletions, hacking, and user-generated errors. The company currently boasts over 200,000 users and safeguards more than 350 terabytes of data for Google Apps, Salesforce, and personal apps (i.e. Facebook, Twitter).

Within its user base, Backupify has approximately 5,000 paying customers. Many of these customers are small businesses. In the last year and a half, though, Backupify has begun to reach significantly larger customers. The cloud back-up company has grown from having one customer with 1,000 employees to now having 30 customers of that same size.

The key to this growth appears to hinge once again on confidence. According to Backupify CEO Rob May, "We're really accelerating the adoption of cloud computing by making it much closer to what IT measures they're used to in an on-premise world."

In other words, Backupify has found success by offering businesses a sense of confidence as they move to the cloud. The cloud may be a radical leap forward technologically, but it does not have to feel like one for businesses. Consistency, stability, and security can remain, and those qualities are what, in a more general sense, Backupify provides.

The market appears to be listening too. Since its founding in 2010, Backupify has enjoyed a 500 percent year on year growth in revenue. Arguably the best part of this growth is that much of it has come without advertising. Three of the firm's largest customers, for example, are based in Europe. The irony of this statistic is that Backupify does not actively market in Europe. Instead, European customers have found the company organically.

A similar story can be seen with Backupify's earliest customers, who contacted the company before its product was even on the market. Backupify CEO May remembered receiving calls from companies who had a budget for Google Apps backups but couldn't find a relevant product. Many of these companies would go on to become Backupify's first customers.

Since acquiring its initial customer base, Backupify has sought to continue growing at an aggressive rate. To feed its growth, the company has participated in four rounds of funding and received approximately $19 million in investment. At its current rate of growth, the 30 person company expects to become cash-flow positive in approximately 18 months.

With profitability comes the chance to become a leader in the $3 billion cloud back-up space. May envisions this as a strong possibility because "About 50 percent of the people we talk to will end up eventually buying the product." Fifty percent is a hard conversion rate to argue with and, according to the CEO, "It tells us that we're on to something." RH

Beat the Traffic

Company: Beat the Traffic
URL: www.beatthetraffic.com
CEO: Andre Gueziec
Sector: Software
Country: USA
VC$: Yes

Founded in 2001, Beat the Traffic has provided personal traffic reporting years before Google ever rolled out its Maps. In fact, the company was approached by Google around 2004, talks which its CEO Andre Gueziec thought might lead to an acquisition. Google instead went on to acquire Where 2 Technologies, which eventually formed the basis of Google maps. Undaunted, Gueziec instead decided to focus on building out Beat the Traffic's capabilities, adding routing tools that designed routes specifically around real time traffic, rather than a simplistic approach.

Available in mobile and on the web, Beat the Traffic is more than just a web tool. It also provides real time traffic analytics to over 60 televised news carriers and media affiliates, reaching millions of viewers.

"We believe that traffic is like the weather," Gueziec said. "It makes news. There are 900 million vehicles on the road, and a billion people commuting every day. Our focus is on the daily commuter. They already know their route, but they need to know how traffic will affect them and if they should adjust accordingly. We serve the entire ecosystem, providing traffic news in real time."

When Beat the Traffic began, no personal traffic reporting options existed apart from the radio station and its bird-in-the-sky helicopter. "There really was no personalization," Gueziec said. "We saw a tremendous opportunity that wasn't being served to the full potential of the technology." The company gained its first personal routing patent in 2001, and has continually expanded the platform, evolving into further capabilities throughout its maturity, Gueziec stated.

Today, the company has had over 2.4 million downloads of its software, about 25 percent of which are regularly monthly users, to the tune of 500 to 700 thousand people using the platform every month. The company earns money through its B2B business such as its partnerships with television news stations, a steady stream of advertising, as well as a premium package of its service that features enhanced capabilities. Profitable since inception, the company operates on a 30 percent profit margin.

"Traffic can be a tough nut to crack, but we are playing a substantial role," Gueziec said. "We've got a great asset that provides better traffic news in real time. We make people's lives easier and happier."

Bootstrapped off a National Science Foundation Grant, the company has no venture funding and doesn't seek it. Gueziec sees no need. At its current projection, it has the potential to reach several hundred million of dollars in revenue as the opportunity is very large, he explained.

"Our strategy is working to our advantage," Gueziec said. "Traffic is not something you should experience in the car at the last minute. Traffic news has real value. We've got a sizable customer base that produces real money. We are not some venture funded vacuum leading to nowhere. Our model has been proven." RH

BloomReach

Company: BloomReach
URL: www.bloomreach.com
CEO: Raj De Datta
Sector: Internet & Services
Country: USA
VC$: Yes

The web can be an enormous vacuum, and the impact of social media has only turned up the suction. Brands need to be found, yet with 150,000 new domains created every day, about 80 percent of a brand's content never sees the light of day, according to BloomReach, the first web-scale, big data relevance engine. The company increases the relevance of websites to more consumers seeking them through a variety of online portals such as Google, Bing, Yahoo!, Facebook, Pinterest, etc. First identifying additional demand the website can capture, BloomReach enhances and interprets with related search links, related content (from deep within the site) and new category landing pages that results in many more products and services getting found, particularly in the long-tail where descriptions of products are more specific.

The company's Web Relevance Engine includes three core technologies: the data gatherer, the machine learning language model and the predictive model. The data gather crawls crawls customers sights to study consumer behavior, feeding data into a machine learning language model that interprets the content and behavior to identify potential ways consumers could describe and discover that content that have yet to be tapped. The predictive model then suggests which possible tactics hold the most promise, highlighting what links, content or categories could be created to make the site more relevant for more consumers.

The results are immediate and empowering. Before BloomReach, the average commercial website sees 25 percent of its pages discovered. Within a few months of plugging in the company's solution, about 75 percent of a client's pages are explored, resulting in significant traction and optimized revenue. The company's clients experience a 94 percent surge in natural search and 50 percent more profitability within their first year with BloomReach.

The vision for the company was born from two co-founders struggling with the same problem. Ashutosh Garg, a former member of the Google Search Quality team, was exploring how to make search results more relevant by working with website owners to provide clearer information to crawlers about their offerings. Raj De Datta, a repeat entrepreneur, was exploring the frustration of marketers with attracting new customers and more customers to products and services they offer. They founded BloomReach to help websites be discovered in the infinity of the evolving web. Leveraging Hadoop, Cassandra and AWS, the IP was developed by the company's own technical team in Mountain View, Calif. The company has three filed patents.

Adding new clients on a weekly basis, the company today serves over 80 customers, including Crate&Barrel, Yahoo and Guess. Its longest relationship with a customer is two and half years, signed at its first product offering in 2009. In the summer of 2011, BloomReach launched Thematic Pages, driving 50 percent of new traffic to launched customers within six months.

The company has raised $41 million from New Enterprise Associates, Lightspeed Venture Partners and Bain Capital Ventures. It faces competition from BrightEdge. BloomReach differeniates itself through its delivered results and the robustness of its platform. The company employs 120 people. It recently launched into the UK to expand into Europe.

BloomReach addresses one of marketers' biggest problems: ensuring their products and services are discovered. Though the company declined to disclose revenues, it faces a multibillion dollar opportunity. BloomReach has emerged on the scene at the right time and place. RH

Broadway Technology

Company: Broadway Technology
URL: www.broadwaytechnology.com
CEO: Tyler Moeller
Sector: Computers/Software
Country: USA
VC$: Yes

The year 2008 was hardly a banner year for Wall Street. The year was marked by the collapse of Lehman Brothers, Bear Stearns, and other titans on the Street. Yet for one Wall Street-based firm, 2008 was actually a year to remember fondly. That firm is Broadway Technology, and in 2008, the company completed the most deals in its five year history.

According to CEO Tyler Moeller, Broadway Technology has been successful because it provides those on Wall Street with, "value-added pieces that are going to make them more money and make their trading operations more efficient."

The company offers these pieces in the form of an electronic trading platform called the TOC. The TOC™ allows those in the financial sector to easily build fast, efficient systems that can pull together and model disparate kinds of data. On top of the TOC, Broadway has also built a variety of applications aimed at specific aspects of trading. These applications include tools for obtaining the price of securities, executing orders, and managing risk.

Broadway's offerings aim to take advantage of the seismic shift that has taken place across Wall Street as all trading has become electronic. In the new competitive landscape, financial institutions will only survive if they have technology that is better than their competitors. The result is a financial market which spends over $300 billion annually on information technology. This is a substantial market opportunity for Broadway because it means that hundreds of banks are potential customers.

At the present time, the company has 12 global-level banks as customers and has completed 25 deals overall. These deals have caused Broadway's revenue to grow 50 percent per year for the last four years. Such growth is exciting, but it is hardly surprising for a company that has been profitable since its founding in 2003.

If Broadway Technology seems like an exception to the rules of Wall Street, that may be because it is. Instead of adopting the individually-focused culture common on the Street, Broadway has instead chosen a team culture, reminiscent of Silicon Valley. Moeller's confidence in this approach comes from his belief, "that a small group of very smart people together can do a lot more than a big group of mediocre people." At Broadway, the team culture is reflected through both work and compensation, which is uniquely team-based.

With its team-oriented culture, Broadway has been able to solve numerous electronic trading problems – problems that Moeller considers among the hardest in the world. In the course of solving these issues, Broadway has also developed a record of 100 percent customer success. This record stands in sharp contrast to its competitors.

Broadway is further distinguished by the fact that its technology allows data to be distributed across a wide number of applications. Those who use the TOC no longer have to worry about infrastructure, how their data is transmitted and whether the data is saved into a database. Instead, all that a user of the TOC has to think about is expressing their trading ideas.

The simplicity of the TOC makes it an exciting prospect for both financial markets and other vertical industries. In time, Moeller envisions harnessing the power of the TOC to build applications in other, non-financial fields as well. Just what industries the technology is used for remain to be seen, but there is little doubt that the lights will continue to shine on Broadway in the coming years. RH

ChaCha Search

Company:	ChaCha Search
URL:	www.chacha.com
CEO:	Scott Jones
Sector:	Computers/Software
Country:	USA
VC$:	Yes

The idea for ChaCha Search, a search service powered by human experts on the other side of the question, came to its founder and CEO Scott Jones out of sheer necessity. As the co-founder of Boston Technology, where he invented the massively scalable, easy-to-use voicemail system, as well as the founder of Internet-based music service company Gracenote, acquired by Comverse for $843 million, Jones is well-known in the tech community. Preparing for a speech for the National Academy of Sciences President's Council to some of Silicon Valley's leading CEOs, Jones searched the Internet to come up with ideas, but traditional search engines yielded nothing promising. He then called his friends, some of the great minds in the industry including faces from Sequoia Capital, Bessemer, and CEOs of various tech companies, and hit gold. They gave plenty of helpful suggestions, pointing to web pages that held the answer.

That's when the light bulb flicked on. Why couldn't Google or Bing suggest these sites to the questions he was looking for? What if he could create a search engine where questions were answered by actual people, experts in their field who knew where to find the answer on the Internet? And so ChaCha was born, a Q&A service powered by real people. Ask ChaCha for the latest score to the ballgame, and you'll get an immediate answer in real time.

"It's like we provide that lifeline for 'Who Wants to be a Millionaire?' We're that smart friend or assistant who can get you an answer in real time," Jones said. "Nobody on the planet does that, and ChaCha is absolutely the leader in that category."

Most questions asked on ChaCha receive instant answers, pulled from a database of over 100 million questions and answers previously asked, the largest such database in the world. Questions that take a bit of research are propagated to the community of ChaCha experts. On average, about three to six answers will be fielded from that community, where one of ChaCha's 60,000 paid guides check each response to make sure it has value, and then delivers the best one to the user who asked the question.

How dependable is the answer? MsearchGroove's report rates ChaCha's answers with an 80 to 90 percent accuracy rate, the highest in the industry. If judged according to accurate answers provided within minutes of asking, services like Ask, Google, and Siri reach accuracies that are less than 50 percent.

The company monetizes the platform through advertising. Receiving over 8 million page views per day, the company delivers three ads per view, adding up to 24 million viewed ads every day. Such traffic earned the company $7 million in revenue last year, putting it on track for $15 to 20 million this year.

ChaCha Search is used to power New York City's 311.org service, which provides quick answers to questions on city government. The company is in talks with other government agencies for similar services. Its method saves these companies 85 to 90 percent of their costs.

ChaCha has also been used to power Q&A services to the Super Bowl, the Sundance Film Festival, and South by Southwest events.

By providing fast answers to any question in real time, the company serves a market larger than traditional search, and is the only company to deliver speedy answers that are also accurate. RH

Clearslide

Company: Clearslide
URL: www.clearslide.com
CEO: Al Lieb
Sector: Communications
Country: USA
VC$: Yes

More than just an out-of-the-box CRM tool, Clearslide empowers sales teams through a platform that makes communication simple, succinct and targeted. The company's full web-based service is uniquely designed around the communication needs of sales teams to make customer interactions more effective. It combines all sales collateral onto a single resource for easier access from perspective customers, saving the need to download endless PDFs and videos when considering a sale. Plus, the company provides detailed analytics on how this material was viewed to better hone the next sales pitch. Clearslide collects useful analytics on how sales teams and customers interact with the content so sales teams can better focus their approaches and management can more effectively coach their teams to engage better sales.

"We're seeing a shift from the old school approach of every sales person doing their own thing to a more team oriented collaborative model, and Clearslide helps empower that," said Al Lieb, CEO and Co-Founder of Clearslide. "We make it easy to share sales material, help the team understand what are the best practices, and really hone in on what works and what doesn't work."

One customer using Clearslide's platform saw a 60 percent increase in its sales close rate, with a high correlation of successful sales with those sales team members that used the technology.

Fitting in between the overall sales and CRM market and the enterprise communication space, the company faces a $3 billion to $5 billion market that is quickly growing as more businesses move from on-premise to SAAS, cloud-driven models. Though Lieb declined to share specific customer numbers, the company has quadrupled its client base in the last year. While the company began serving the media vertical with clients like Expedia, it has grown to an increasingly wider spread of markets with customers such as Rackspace, Career Builder, LivingSocial, and Oracle.

And it doesn't face much head to head competition in the space. While the company does compete against SugarCRM and Sage SalesLogix, most of these are mere CRM tools without the robust communication platform that powers Clearslide. "Most of our clients place us in an entirely new category altogether," Lieb said.

The company actually began out of the sales process. Lieb and co-founder Jim Benton first began offering a product in the media space, and then created a tool to help pitch that product, as there wasn't much in the market at the time that met its sales communications needs. The company soon received more interests in how it developed its pitches then what it was actually pitching, and realized there was a big need for a sales team communication tool. It launched as Clearslide in 2009, signing about five customers almost immediately. It worked to hone the platform over a number of years as it incorporated customer feedback.

Based in San Francisco, Clearslide has raised $40 million in venture investment from Bessemer Venture Partners, Greylock Partners and Felicis Ventures. It was initially profitable for its first two years, and then began reinvesting in its growth, a trend it expects to continue for the next couple of years.

The company is building towards an IPO with the expectation of earning $80 million to $100 million in revenue in the next three to five years. Ultimately, Lieb views Clearslide as a billion dollar opportunity.

"Sales departments are going through a revolution in how teams sells and work together," Lieb said. "Our customer is the end user. We make it easy to use and friendly to the user. Through user adoption, we strive to become the standard platform for sales communication." RH

Clickatell

Company: Clickatell
URL: www.clickatell.com
CEO: Pieter de Villiers
Sector: Telecommunications
Country: USA
VC$: Yes

Clickatell provides the largest Online SMS gateway with a capacity two to three times larger than its closest competitor, according to Pieter de Villiers, founder and CEO of Clickatell. The company can deliver instant SMS communication to nearly any mobile device in the world in real time.

The company launched the first SMS gateway as early as 2000 as a way to provide companies instant communication to consumer's mobile devices. As more than 6.2 billion devices are still only capable of talk and text, the company's business has not slowed down, even in the age of the smartphone. Indeed, Clickatell served more than a billion messages last year, and expects to more than double that capacity this year.

"People underestimate the value proposition that simplicity brings, but all our clients need to know is the mobile number and the content of the message," de Villiers said. "The rest is really simple. For a penny per SMS message, brands can push deals to subscribers, save a $16 order reroute, or confirm a banking deposit. For each one cent message, we save our customers a good deal of money."

The company began during the dot.com boom as a way for businesses to connect daily deals to customers at a time when most people only checked their email a couple of times a week. It managed profitability in its first 16 months, and continues to be profitable to this day.

Today, Clickatell serves over 16,000 enterprise and small business customers, including Fortune 500 companies such as Visa and Oracle all the way down to mom and pop babysitting services. In some markets, the company maintains over a 35 percent share. It serves customers in over 220 countries and territories, reaching into Europe, the US, the Middle East, South America and Asia. In the next three years, Villiers expects the company to reach over $100 million in revenue, while remaining profitable.

"Growth will greatly depend on our margins," de Villiers said. "We like to keep our margins high while still providing a good track record for quality and service in the market."

The company's platform has served a number of humanitarian efforts, including providing free SMS to enable family members in Haiti to reconnect following the deadly earthquake. It also helped the Coast Guard coordinate rescue efforts following US Airways' crash in the Hudson River. When Obama went on a Middle East tour in an effort to communicate with the cultures of Islam, Clickatell provided free services that enabled the region's citizens to ask questions and be part of the conversation.

The company has had an undisclosed amount of Series A and Series B funding, and faces no future need for capital beyond a strategic investment. De Villiers sees a market consolidation as the company's most likely exit, but allows that an IPO is also a possibility.

"We solve the rate of scale for a number of businesses," de Villiers said. "We've had a considerable track record for real growth, which will be very valuable in the market to come."

Not planning to focus solely on SMS, the company will likely transition to ISP channels, which will improve its margins as SMS carries a high cost.

Clickatell proves that text is far from dead. Indeed, as the vast number of feature phone consumers in markets such as India and the Middle East stipulate, SMS continues to be the go-to communication channel for the developing world. Clickatell's sheer size and long history have made it a ruler in a technology that continues to be relevant due to its sheer simplicity and ubiquity. RH

Cloudera

RED HERRING GLOBAL 100 WINNER

Company: Cloudera
URL: www.cloudera.com
CEO: Mike Olson
Sector: Computers/Software
Country: USA
VC$: Yes

Our interconnected world has made big data cheap yet among companies' most valuable assets. Leveraging that data is the open source Apache Hadoop, a framework of data intensive distributed applications used by Facebook, Yahoo, and just about everyone else to make sense of the massively complicated data sets that drive today's business decisions. Supporting the largest distribution of Apache Hadoop, Cloudera's Enterprise Core takes the open source system to the next level. 100 percent open source, it is the first and only Hadoop management framework that manages a full Hadoop lifecycle, manages and monitors the complete stack of an enterprise's data, while supporting comprehensive log and event management. It is also the only Hadoop platform with technical support integration built in.

The company's deep integration with Hadoop makes sense, considering that many of Hadoop's inventors are current Cloudera employees. Its technology empowers Hadoop to deliver data in real time, enabling data driven decisions at the "speed of thought." It enables roadmap control, optimizing the power of big data by making it understandable. The software is delivered on an annual subscription basis, and comes with a 24/7 tech support package.

That agile power has made the company the big data management solution for three of the top five organizations in banking, telecommunications, mobile services, defense and intelligence, media and retail, contributing to more customers and users than all Hadoop systems combined. The company stands as the top contributor to the Apache ecosystem.

Following a 25-year career with Oracle, co-founder Mike Olson launched Cloudera in 2008 to build a product to "complete Apache Hadoop, delivering enterprises the management, monitoring and administrative tools to run their production," Olson explained. The CEO's experience with Oracle had shown him what large corporations needed to fully leverage the open source tool. He teamed up with Amr Awadallah, Jeff Hammerbacher and Doug Cutting, all former talent from Google, Yahoo and Facebook. The four wrote a business plan and promptly landed Series A financing from Accel Partners that October. They developed the platform and signed their first customer that December, and fully hit the market by January of 2009.

"If you were doing anything with Hadoop, you really had no one else to talk to besides Cloudera," Olson remembered. "Our early engagement was tremendous."

Today, the Palo Alto-based company serves hundreds of deployments with customers that include eBay, AOL, CBS, and Sears. It has serves more nodes than anyone else in the industry. Olson declined to state revenue rates, but maintained the company remains the largest player in a billion dollar market that has only begun to mature in relevance.

The company has the investment confidence to back up such a statement. It has raised $75 million in four rounds from investors that include Ignition Partners, Accel Partners, Greylock Partners, Meritech Capital Partners and In-Q-Tel.

"We believe we are watching the emergence of a major new big data management market," Olson said. "There is a big opportunity for a well focused company to lead that space. Right now we are the number one vendor, and we aspire to lead this industry for the lifetime of the business."

Though it began as a lone wolf in the market, Cloudera has inspired its own competition. EMC released its own distribution system for Hadoop that includes a distributed file system. Yahoo launched HortonWorks, a spin-off company that offers a Hadoop enterprise product. Cloudera's sizable footprint gives it a head start in a market where the race has only just begun. RH

Content Raven

Company: Content Raven
URL: www.contentraven.com
CEO: Ron Matros
Sector: Computers/Software
Country: USA
VC$: Yes

Share a document, and who knows where that document goes? Or for that matter, who knows if anyone actually read it, or worse, stole it and shared it with competitors? Content loss adds up to a $24 billion problem, according to a Network World & PSN Population report.

Content Raven not only protects your documents, but also shows who viewed it. The company claims to create the world's first and only cloud-based content sharing solution that can control distribution and consumption. Its software lives where the content is, such as a server, cloud source or Dropbox file, and accesses it from that source, securely encrypting the content and sending it the recipient. It then provides detailed analytics on how that content was viewed, providing confirmation for training videos, or data for marketing purposes, for example. Its clients need no longer lose complete control of their content with every email they send. Browser and platform agnostic, the solution requires no software installation nor API work integration. The software has a mobile focus and easily incorporates video streams.

The company was founded as recently as 2011 by Vasu Ram, who previously founded Securlytics, Content Raven's precursor, and served as CEO for SolveIT. Those experiences showed him how much content needed to be shared with a variety of vendors, so he decided to come up with a solution that allowed both control of content and knowledge of use. After six months of developing the product, the company only launched to market as early as April of 2012. Today, it has over 12 customers with fast adoption and a significant sales pipeline. Ram estimates the company will triple its base in 2013.

Ram, who serves as the company's president and CTO, said that several customers have reported a return on investment of 14 to 1 in as little as three to four months.

The company competes against WatchDoc and Brainloop, but contends to provide an easier and better solution.

"Our solution is fully integrated with all existing content systems, and can put any content where you want with no limitations," Ram said. "Considering the integrated functions of our platform, we are light years ahead of anyone in this market."

The company has had no outside investment beyond the founders' own money. It is currently raising a modest Series A of around $3 million, with 70 percent aimed for sales and marketing, and the remaining 30 percent for product and back end infrastructure.

Moriarty estimates the company will reach $500 million in revenue in the next five years.

"In an age of bring your own device to work, it is absolutely necessary for companies to control their content and understand where it is," Moriarty said. "We're at the tip of the iceberg in adoption and the potential of this market. It is going to explode."

Though the company has only begun to take off, Content Raven stands to transform a marketplace that greatly needs its technology. In a connected age where a single email can leak a company's biggest secrets, having content control protects a company's most vital assets. Content Raven provides a level of control that keeps secrets safe with the knowledge they indeed made it to the ear of the intended listener.

CrowdFlower

Company:	CrowdFlower
URL:	www.crowdflower.com
CEO:	Lukas Biewald
Sector:	Internet & Services
Country:	USA
VC$:	Yes

Claiming to offer "the world's largest workforce," CrowdFlower offers a leading microtask crowdsourcing platform that enables crowdsourcing at an unprecedented scale in realtime. The company offers an always-on and scalable workforce, and uses quality control checks to maintain a high level of competence.

The company breaks tasks into units that can be done by a single person, and prices the tasks based on the amount of time required to complete each unit. Its clients then choose the channels for the performed labor, and only pay for a task completed to the specified requirements.

With 2 million contributors, the company has over 50 labor channel partners, including Amazon Mechanical Turk and Trial Play. The company's clients include Microsoft, AT&T, Yahoo and eBay.

Founded in 2009 as Delores Labs, the company has received $12 million from Harmony Partners, Trinity Ventures, and Bessemer Venture Partners. The company is based in San Francisco.

cVision Technologies

Company:	cVision Technologies
URL:	www.cvisiontech.com
CEO:	Ari Gross
Sector:	Software
Country:	USA
VC$:	No

Going paperless may be what gets clients in the door, but its the full empowerment of business process automation that makes cVision Technologies' document automation so compelling. A leading provider of file compression, recognition technology, PDF workflow applications, and document automation technology, cVision unleashes the power of business documents to completely change how that business runs its day to day operations. The company not only automates paper documents to make them digital, but uses business process automation and document capture to solve key problems businesses want to solve. It goes beyond merely making a company's mail room paperless, but truly empowers every function of the business related to documents, making all documents searchable and business processes automatic. Invoices from vendors can be recognized, data from that vendor can be compiled, and purchase orders automatically applied in a process that not only digitizes documents but simplifies document management across the board.

"If we can combine business process automation with cloud sourcing, we can change the quarter billion dollar business process outsourcing market in a fundamental way," said Ari Gross, CEO of cVision Technologies. "Once we have a solution for digitizing paper documents in place, it opens the door to worlds of opportunities."

Sitting in between the business processing market and the knowledge processing market, Gross estimates the company faces at least a $50 billion market. The company already serves 10 of the top 50 tax and accounting firms, some of the largest banks in the world, and 100 Fortune 500 clients, serving several thousand customers across a variety of demographics. Customers include Bank One, the Federal Reserve Bank, and American Legal Copy. Growth has been a steady 40 to 50 percent over the last several years.

Gross founded the company coming from a rich university and research background. With a BS degree in Mathematics from Johns Hopkins University and a PhD in Computer Science from Columbia University, Gross did his graduate work on the compression of documents, researching how to make paper documents as searchable and functional as any digital media source. He began his research and development in 1997 before founding cVision as the first company to make compressed PDFs in 2002. Over the years, the company honed and evolved its digitizing technique, adding intelligence features that incorporated more business functions related to document control.

The company invests in its own growth from its sales stream. About 85 percent of its business comes from the US and Canada, with the rest in Europe. The New York company competes against Aptus Solutions, DocuLex, and Inforama.

The company strives to be the leader in business process automation with machine learning, a market where the revenue potential is sky high. Business process outsourcing is estimated to be about $250 billion by 2015, with 20 percent of which is applicable to the company, Gross estimated. If cVision can capture 5 percent of that over the next several years, it has the opportunity to be a $2.5 billion company, Gross said.

"Compression gets us in the door of typical Fortune 500," Gross said. "They have a lot of paper and don't know what to do with it. Once we provide a solution for digitized paper, it completely changes the game."

TOP 100: AMERICAS

DealerSocket

Company:	DealerSocket
URL:	www.dealersocket.com
CEO:	Jonathan Ord
Sector:	Software
Country:	USA
VC$:	Yes

Enabling what CEO Jonathan Ord calls "the desktop of the dealerships," DealerSocket provides a complete customer relationship management platform that streamlines just about every interaction with the customer on a car lot, from crafting the perfect sales pitch to the right vehicle for that customer, right down to arranging the financing to pay for it. The success of the platform is easy to measure. After six months of using the platform, the average dealership realizes a 20 percent increase in sales, a 30 to 32 percent service rate increase, and nearly doubles its profits due to the increase in sales and service work.

The tool covers Internet lead management, showroom tracking and control, service and fixed operations management, and fulfillment of marketing strategies. Analytics are used to determine which customers offer the most potential, and which vehicle best fits their needs. The platform even includes training management videos of best practices in the industry through "The Dealership" video series. The platform also includes a financial system that handles all payments and residuals, manages payment structures and facilitates the actual buying of the car.

"We are revolutionizing how a customer interacts with a dealership," Ord said. "In the new digital world, dealers are at a loss as to how best to communicate with a customer, how to perfect the pitch for the right vehicle. Through data analytics in the way we track customer web visits and phone calls, we know exactly what to say to the customer to optimize the sale and give them what they need."

Ord estimates a $4 billion to $5 billion market in the US and Canada alone. The company today serves about 3,000 dealerships in the US and Canada. At about 18,000 dealerships in the US, the company has only begun to scratch the surface. It rolls out an additional 60 to 85 dealerships per month. In the next 18 months, the company plans to launch in the UK as it spreads to Europe.

After doing CRM consulting in the '90s, Ord decided to create a CRM platform targeted specifically at car dealerships. His dealer buddies told him the system would work, but pointed out he wasn't a car guy. He then volunteered a year of his life to working on a car lot for free "so they wouldn't fire me for asking way too many questions," as he learned the ins and outs of the car dealership, Ord remembered. In a little over two years, Ord built the platform out of his garage in between lunch breaks.

Ord launched DealerSocket in July of 2002 with his first signed dealership. The company had 16 dealerships signed by the end of the year and was profitable. After its first year, it had 50 on the platform, and "it's been like a rocket ship ever since," Ord said.

The company operates on an SAAS model, earning roughly $2,200 per dealership on average. Its revenue is just under $100 million. It has raised a small, undisclosed amount of venture investment, but 80 percent of the business is still owned by its founders.

Though competitors like MotorLot and iLM offer lead management and tracking tools, DealserSocket is the only company offering an all-in-one CRM solution specifically targeted to the car industry.

Ord sees a simple ramp to $500 million in revenue in the next three to five years. "We're creating a more convenient process to buy and sell cars," Ord said. "If we were any more optimistic, we'd have issues."

Doximity

Company:	Doximity
URL:	www.doximity.com
CEO:	Jeff Tangney
Sector:	Social Network/Media
Country:	USA
VC$:	Yes

Despite the high tech progress of the last two decades, doctors continue to communicate in the Dark Ages, without even a secure email system, much less a secure drop box or social media tool. Physicians have traditionally been limited to phone calls and faxes due to HIPAA confidentiality requirements. Doximity is the HIPAA-secure version of LinkedIn, providing doctors the technological means to share faxes digitally, collaborate and share information in a secure environment online, and connect in ways like never before. The company provides a central directory to connect physicians across all networks and hospitals in the US. Physicians can use Doximity to connect with other connected physicians on iPhones, iPads, Android devices, and the web.

Free for physicians, the professional medical network earns money through Blue-chip researchers who pay to search for niche medical experts. The company also plans to tap recruiters and hospitals for additional revenue resources. With healthcare spending approaching 20 percent of the US Gross Domestic Product, the company solves a difficult problem in a startling market.

About one in seven US physicians are on Doximity's network. The company reaches more than 80,000 members, including 15 percent of the US physician community. Since its official Series A launch a little over 17 months ago, its network has expanded 12 x. Three of the top five medical schools, including Stanford, UCSF, and Penn, have partnered with Doximity to run their alumni networks. More than 2 million physician-to-physician connections have been made on the network. About 1,000 referral/expert searches are conducted through Doximity daily.

Doximity is the brainchild of the founders of Epocrates, a creator of point of care digital solutions for physicians that's the most used physician app to date. Built for physicians by physicians, Doximity includes physicians and advisers who work closely with the technical team to develop the core of the technology.

The company competes against Sermo, but its real competition comes from the antiquated forms of technology such as paper and fax that continue to serve for medical communication. Doximity is the largest real-name, HIPAA-secure physician network that takes in-depth measures to verify its members via an in-depth credential check. It allows doctors to spend less time tracking down information and more time on collaborating and delivering patient care.

The company has raised $27.8 million in funding from Emergence Capital Partners and InterWest Partners. The company has 30 full time employees. The company is based solely in the US with no immediate plans to expand abroad.

Easy Solutions

Company: Easy Solutions
URL: www.easysol.net
CEO: Ricardo Villadiego
Sector: Computers/Software
Country: USA
VC$: Yes

Here's a question for business owners: What's costlier than a lawsuit and more debilitating than bankruptcy? The answer is online fraud, which can be defined as any attempt by an outside party to take advantage of a business using the internet. When online fraud is successfully committed, it can mean deep financial losses and lasting damage to a business's infrastructure.

Given these consequences, business owners naturally seek to prevent online fraud. They are aided in this pursuit by numerous firms which offer tools to prevent various aspects of the fraud cycle. The problem with most of these firms, however, is that they only address a few components of fraud. Like a flu shot, a given firm's services may prevent one form of fraud, but they will likely be useless when other types of fraud appear.

Recognizing this problem in 2007, security engineer Ricardo Villadiego founded Easy Solutions. Easy Solutions is a company that offers a holistic view of fraud prevention. Unlike its competitors, Easy Solutions avoids looking for a single point to stop fraud. Instead, the company views fraud as occurring in predictable stages and concentrates on providing a comprehensive roadmap for detection and prevention at each of these points.

According to Villadiego, "Our technologies make sense with the business, while most of the security providers just deal with technical stuff." This difference has allowed Easy Solutions to amass a portfolio of 85 clients and achieve a 99 percent client renewable rate. The company has also displayed its strength with a growth rate of 112 percent over the last year.

As Easy Solutions grows, Villadiego hopes that his firm can develop into the global leader in fraud prevention. His hopes are buoyed by both recent growth and outside investment. Since closing its first round in 2010, Easy Solutions has received $3.6 million in funding. With this capital, the firm has expanded from its founding base in Colombia to serve clients from Canada to Patagonia.

Still, becoming a global leader requires more than just dominance of the Americas. That is why, with additional funding, Easy Solutions plans to open offices in Europe and then move into Asia. If successful in these expansion activities, Villadiego believes his company could become a hundred million dollar operation within the next few years.

Thinking of the future, the founder anticipates that the need for fraud prevention solutions will only increase. In his opinion, fraud prevention will grow in importance as businesses move to the cloud and employ services like Google Apps to store their vital information. Amidst this shift, businesses may find themselves exposed to greater security threats than ever before.

Regardless of what threats arise, though, Easy Solutions plans to be ready. Villadiego views preparation and execution as the keys to continued success for Easy Solutions. If the company can scale effectively and still deliver the same comprehensive road map for online fraud prevention, there is no limit to what Easy Solutions could potentially accomplish. RH

Ecospan

Company: Ecospan
URL: www.ecospan.com
CEO: Greg Hoffman
Sector: CleanTech
Country: USA
VC$: Nondisclosed

In the world of bio-based plastic, Ecospan not only closes the loop, producing a solid, industry-suited plastic from 100 percent natural materials, but it does so at a cost efficiency that more than pays for itself in the end.

Using bio-based, petroleum-free materials, the company produces a material strong enough to be used in packaging, electronics, smart phone accessories, cable modems and routers, disk drives, cosmetics, toys and even tooth brushes. Instead of a biodegradable approach, the company focuses on durable goods that can be reused a number of times before being completely recycled and used again. It provides a core strength of materials unmatched by competitors, allowing it to enter industries traditionally not served by bio-based plastic companies.

"Because our material is so rugged and strong, we can hit temperatures and ruggedness no one else can in the bio plastics industry," said Jeff White, President of Ecospan. "We can get into high end consumer applications, whether it be electronics or home furnishings. We can mold our products in ways and shapes that can't be done with traditional bio-based materials. People in the industry cannot believe what we do until they actually see it."

While the company's shipping materials tend to cost more than competitive alternatives, their strength allows for greater use, effectively allowing a 5 to 1 savings when used repeatedly. Instead of paying a cost disposal rate, its customers can create a completely closed loop recycled system that becomes a cost savings to their business.

"We provide our customers with a cost savings instead of a cost of disposal. We do it for free, and may even provide credits back," White said. "Our customers actually make money by being sustainable and green."

The company's green energy approach grows like money on trees at a 200 to 300 percent annual growth rate. It started with its first customer in its first year, adding a handful of companies the following, and now serves a dozen clients that are rapidly expanding. Ecospan's customers span the world on four continents, with production facilities in the US and Asia, and a certified partner in Europe that continues to fuel its expansion.

As bio-plastics become more profit incentive, the world of green energy will change, and quickly, White said.

"You're going to see change very quickly for applications that benefit the end brand companies doing it," White said. "Eco-friendly sustainability helps get people into our door, but in the end its our cost competition that seals the deal." RH

Ensim

Company: Ensim Corporation
URL: www.ensim.com
CEO: David Wippich
Sector: Computers/Software
Country: USA
VC$: Nondisclosed

Ensim empowers service providers and enterprises to do pretty much anything in the cloud. What's more, it makes the onboarding, provisioning, billing, and management of users and services easy and automatic, putting the controls in the hands of the companies and even their end-users for a more simplified but deeply granular experience. The company's technology covers the entire end-to-end lifecycle of the cloud as well as on premise installations, while providing a scalable framework that enables its clients to view every application or service in a logical way. Service providers, telecom companies, MSPs, and large enterprises can easily fine tune privilege management, set policies according to specific users, or instantly add features as the client sees fit without building a new operations provisioning and management system (OSS), or service catalog and billing system (BSS) from scratch every time.

Essentially, the company goes beyond simply enabling service providers and enterprises to provide a place in the cloud by offering a completely automated and integrated system that makes the programming and management of offered services as simple as using a browser and clicking on a few buttons. Ensim supports multi-tenant, shared environments or dedicated, multi-forest environments, or hybrid environments. While competitors like Amdocs, MetroTech, or newScale (acquired by Cisco) may launch their clients into the cloud, they don't give them any control once the services are provisioned, explained David Wippich, CEO of Ensim.

"Both infrastructure and applications have similar requirements that are central to their functioning, like the knobs or dials on a device," Wippich said. "Once you know how to tweak the controls, the service can be easily controlled or adjusted. We manage the service at a granular level via web service APIs with an out-of-the-box turnkey solution to control it all."

One large enterprise spent $500,000 with Ensim and eliminated $3 million in annual waste, saving $9 million in just over three years.

Wippich estimates the order management market, BSS, the provisioning market, and OSS to be each worth $20 to $30 billion. Considering Ensim provides solutions in all segments via an integrated turn-key solution not currently offered by competitors, Wippich pegs the company's total addressable market between $40 to $50 billion.

The company currently serves over 300 major customers, who use between 5,000 to 500,000 seats powered by Ensim solutions. With nearly 20,000 small to medium size businesses using the company's platform via telcos and managed service providers, and combined with IT departments of Fortune 500 companies, over 5 million seats of the software are deployed. The company's base grows 40 to 50 percent every year for the last few years. Ensim has been profitable for the last several years with a profitability around 20 percent EBITA, depending on its technology investment level.

The company was founded in 1998 by several outside investors. In 2010, however, the company rebooted and became majority employee owned with a minority stake from some of the original investors. Ensim then built a solid cash reserve gleaned from its growing revenue stream for further marketing and technology investments.

Going public would be a natural outcome, though Wippich is open to an acquisition at the right price. He estimates the company could reach revenues of $100 million in the next several years. RH

Everyone Counts

Company: Everyone Counts
URL: www.everyonecounts.com
CEO: Lori Steele
Sector: Cloud Computing
Country: USA
VC$: No

Most start-ups have a vision for changing the world. Few start-ups, though, have the potential to change the world as directly and as dramatically as Everyone Counts.

Founded in 2006, Everyone Counts is a company with the basic goal of improving elections. According to CEO Lori Steele, "Everyone Counts is transforming the $31 billion dollar elections industry from error prone paper and antiquated hardware specific systems to a SAAS [Software as a service] model." The result is a streamlined process that improves voter security and access, while simultaneously making the election administration efficient.

In established democracies, a more efficient election translates into considerable savings for taxpayers. According to Steele, Everyone Counts can save governments up to 50 percent on election costs. In addition, the company's methods can also substantially increase voter turnout. The CEO pointed out that in a Chicago election, Everyone Counts was able to increase participation of overseas voters by 28 percent. Even more compelling, however, was a recent Oregon election, where the company used iPads for voting and caused the participation of people with disabilities to increase 1,500 percent.

And these results are just for established democracies, places where voting has a clear precedent. Looking internationally, Steele believes that her company's greatest opportunity may lie in parts of the world where democracy is struggling to develop. The CEO pointed out that, "If we continue to do what we're doing, dictators won't be able to pretend they're holding elections because there will be proven, transparent accessible elections in the world." Her words are supported by Everyone Counts' recent efforts in Bosnia. The company will debut its technology this September in a nation formerly accustomed to voter fraud.

From Bosnia to established democracies like the U.S. and Australia, Everyone Counts has found success because of its unique technology. The company's platform is hardware agnostic, enabling voters to cast their ballots remotely or in a traditional poll station. For remote voting, a voter can use any device from a PC to an iPhone. This flexibility is protected by military-grade encryption, a feature which increases the security and accuracy of the votes.

Backed by its technology, Everyone Counts has earned the distinction of being the only election company in the world with a 100 percent success rate. This figure means that no election administered by the company has been canceled or compromised by issues such as hacking or lost votes.

Having a perfect elections record has enabled Everyone Counts to expand rapidly in its five year history. The company carries a 95 percent customer retention rate and expects to break-even at the beginning of 2013. That year will also be noteworthy for Everyone Counts because of growth in the private sector. In January, Everyone Counts will assist the Academy of Motion Picture Arts and Sciences with voting for the Oscars. Members of the Academy will be able to vote online without having to worry about their votes being lost or compromised.

Success with the Oscars will be another milestone for a company that expects to grow five-fold in the next year. Still, despite "going Hollywood", Everyone Counts does not appear to have lost touch with its greater goal of improving elections. The company remains committed to better elections, for as Steele pointed out, "The more people can be counted and know they can be counted reliably and accurately, the more likely they are to actually try to have a say in their government." RH

Exinda

Company: Exinda
URL: www.exinda.com
CEO: Michael Sharma
Sector: Computers/Software
Country: USA
VC$: Yes

As network traffic explodes, application performance and WAN optimization are top IT concerns for any organization, yet network managers and administrators lack a solution to monitor and manage network bandwidth to better meet user expectations for speed. Conventional WAN Optimization solutions were designed only to accelerate traffic, but as the network has become more strategic and also more complex, acceleration on its own does not assure user experience. Exinda revolutionizes how organizations manage their networks, delivering visibility, control and optimization to optimize bandwidth and better deliver applications.

The Exinda suite of network optimization and assurance solutions integrates WAN Optimization and Application Assurance technologies into a single architecture designed to assure a predictable application user experience across the organization. Its platform runs on the Exinda 360 Dynamic Assurance Engine, an innovative policy engine designed to capture and apply SLA (IT priorities), directory (user and groups), usage (time and location), application (layer 7 signatures), network (capacity) and traffic (protocol) policies to apply the right mix of acceleration, caching and containment to ensure the right application is delivered to the right user with the right experience. Exinda's Dynamic Assurance Engine is the only WAN Optimization architecture integrated with Active Directory for the purpose of policy creation and application optimization. Exinda is the first vendor to bring to market a solution that delivers application performance and user experience assurance as a single solution suite.

At a total market opportunity of $3 billion for WAN Optimization and Application Assurance, Exinda's current cut of the market is 1.5 percent. The company serves more than 3,000 global clients, including Georgina Southern University, Barnsley College, and Ryerson University. In the last 12 months, more than a third of Exinda's customers have chosen the company as a competitive replacement for conventional WAN Optimization competitors like Riverbed, Blue Coat, Cisco, and Juniper, no small feat in a market recognized for technological innovation and leadership. Its 100 percent annual growth for the last three years has been fueled by a demand for an integrated assurance suite to replace the myriad point solutions they've acquired to deliver user experience for a broadening set of application types.

"Our performance against the competition is serving as a rallying cry for partners and employees and is creating a snowball effect in the market as we continue to see accelerating momentum and market share acquisition," the company stated in an email interview.

Exinda's business model is based primarily on the sale of products that come in the form of hardware appliances and software-based products. The product portfolio is sold through value-added resellers and systems integrators who target a variety of customer segments with challenges in all aspects of the network, from Branch Office to Data Center to Cloud and Mobile. To complement Exinda's products, a broad set of services are delivered through the channel to provide consultation and implementation expertise to customers. Its products are priced per server and by the peak capacity of traffic that will flow through the product, i.e., from 20MB to 10GB. Its device can be scalably stacked to provide higher traffic solutions for the largest environments.

Founded in 2003 in Melborne, Australia, the company also has an office in Wateloo, Ontario. About 65 percent of its revenue comes from outside North America. It has raised $21.7 million from OpenView Venture Partners and Greenspring Associates.

The company earned about $18 million in revenue in 2010, $17 million in 2012, and nearly 30 million in 2012. It expects to be earning $100 million by 2015. RH

Extole

Company: Extole
URL: www.extole.com
Acting CEO: Michael Bigby
Sector: Cloud Computing
Country: USA
VC$: Yes

Friends make better endorsements than brands. Extole provides a social advocacy platform that uses social media to turn fans into advocates, who in turn tell their friends, creating a chain wave of endorsement far more valuable than any brand could promote on its own. People trust their friends. Extole gives brands a way to make that introduction and become part of the social conversation.

And as social conversation supplants advertising through Facebook's Open Graph, Twitter feeds or Pinterest boards, its the next evolution for social marketing, contends Brad Klaus, Founder and CEO of Extole. Such a market capacity gives Extole a billion dollar plus revenue potential, he said. It's a leader in a new field that is changing the way brands advertise on social platforms, such as Facebook's Sponsored Stories feeds about connected friends.

"The new social marketing is like a cocktail party and the game is, 'How do you get your consumers talking about you?'" Klaus said. "The true nature in social is consumer to consumer interactions, not purely brand driven content. Every website in the world will need to become part of that social conversation, and we create a platform that makes it easy."

Proof of its social word of mouth strategy can be found in the strong ROI the company delivers to brands. In a 30 day campaign for Redbox, Extole contacted 800,000 customers, and made 177,000 advocates, driving 133,000 leads to the company. In the last year, Extole has managed to create over a million advocates for the company to deliver real consumer value. The company has managed similar campaigns for T-Mobile, Shutterfly, Travel Channel, Zazzle, Kate Spade, SkyMall, J. Hilburn and Seamless.

Klaus first identified the need for social advocates while forming customer acquisition strategies as Vice President of Sales at Qualys, Inc and holding management positions for DemandTec, Siebel Systems and Raima Corporation. Extole spent a year building the platform, and spent the last year and a half engaging with brand to help them harness the power of their advocates. It uses incentivized and non-incentivized programs to activate brand advocates to drive brand awareness, sometimes offering coupons or other discounts to drive engagement.

"With the advent of the social network and the ability to share more, we realized that 'word of mouth' could empower brands through a platform like Extole to turn customer advocates into marketers on their behalf," Klaus said. "It's a much more effective way to foster customer engagement. "

Klaus doesn't envision many left field threats to his company's approach, and it has already carved out a sizable niche in the market. With a team of over 90 people, Extole serves more than 250 brands, a number that has quadrupled in the last year. It currently serves clients in the US and Canada, and plans an international expansion later this year. The company has had three rounds of funding totaling $22 million.

"We're in a good position in a market that is evolving in this direction," Klaus said. "Even Facebook is realizing that the power of its Open Graph platform is really about helping brands socialize their digital assets. Our market is every brand in the world, and our solution produces a meaningful, quantified return on investment."

Brand conversation is increasingly social. Extole has deep connections to make an introduction. The company leads an exciting market that is only beginning. RH

Fishbowl

Company: Fishbowl
URL: www.fishbowlinventory.com
CEO: David Williams
Sector: Software
Country: USA
VC$: Yes

Fishbowl is the name, and inventory is the game. The Orem, Utah-based company provides advanced inventory software for businesses in all industries. Of these industries, Fishbowl has found particular success among wholesale distributors and manufacturers. Customers in these areas have been most receptive to the firm's inventory tracking software.

When asked about his firm's success, CEO David Williams credits it to efficiency. In his eyes, Fishbowl succeeds because its software, "allows businesses to be much more efficient and know where their inventory is. They don't have to manually do it anymore. It doesn't take the time that manual effort does while eliminating the error that the manual system would have caused."

By saving businesses time, Fishbowl has not been slow in commanding the market. Rather than floundering (no pun intended), the firm has quickly risen to become a leader in inventory management software. This leadership can be seen in QuickBooks, where Fishbowl's software is the most requested add-on, out of 412 offerings in the QuickBooks marketplace.

Apart from rankings, Fishbowl has also demonstrated its prowess with 60 percent year-over-year real growth in the last six years. This year looks to be no different, with the company expecting to attain an 80 percent run rate and reach revenues of $20 million.

Not bad for a company that begun humbly in 2001. At the time, Fishbowl was conceived as a custom application for a medical supply house. Williams and his team developed the application but avoided limiting it to a single industry. Instead, the team concentrated on building a vanilla product that would cater to anyone with any type of inventory.

To support the accounting needs of their market, Fishbowl's founders integrated their software with QuickBooks. This integration then allowed them to begin selling Fishbowl in 2004, when QuickBooks opened its marketplace to developers. Within a year, Fishbowl reached the break-even point and became cash-flow positive.

Seven years later, Fishbowl is still going strong. The company has a base of 55,000 users and anticipates that this base will grow by approximately 12 percent within the next year. As the company gains more users, it has begun to expand internationally. Last year saw Fishbowl begin offering its services in Australia. The company now has its sights on entering Canada, South Africa, and the UK. Once taxation and currency conversion modules have been developed, Fishbowl plans to simultaneously expand into markets in these three nations.

With each expansion, the company continues to generate revenue through software sales. Unlike other firms, Fishbowl does not earn money through subscriptions. Those who purchase from Fishbowl receive the full software along with comprehensive support and upgrades. Purchasers then have the option to renew their service for the product at the start of the next year. Under this method, Fishbowl has enjoyed a 75 percent renewal rate and a low level of product returns.

At the current rate, Williams expects his company to reach revenues of $60 to 75 million in the next five years. If attained, these projections will be even more impressive given that Fishbowl is debt-free. The company has received $2.2 million worth of investment from Edison Ventures and Valhalla Partners, yet it is currently operating without any debt on the books. The lack of debt means that, despite their name, Fishbowl can freely swim in an ocean of possibilities. RH

Flipora

Company: Flipora
URL: www.Flipora.com
CEOs: Jonathan Siddharth and Vijay Krishnan
Sector: Computers/Software/Tech
Country: USA
VC $: Yes

In the world of tech start-ups, many companies like to compare themselves to Google. Google is, after all, the ultimate start-up success story. The company has risen from humble roots to become a billion dollar, multi-industry titan. For young, hungry start-ups, such a path is highly desirable.

Yet for Sunnyvale, California start-up, Infoaxe, comparisons to Google may be more than just wishful thinking. Like Google, Infoaxe was founded by Stanford graduates and has been mentored along by many of the same professors. Most importantly, the company is also active in the web search space. Infoaxe offers users the "best of the web" via its discovery engine, Flipora.

The catch to Flipora, though, is that the "best of the web" is determined by an individual's own preferences. Flipora assesses a user's browsing history to determine what websites they will find interesting and useful. This technique makes for a more personalized internet experience. On a deeper level, it may also signify the evolution of web search. Infoaxe co-founder Jonathan Siddharth certainly sees it this way. According to Siddharth, "Most of the interesting content that a person discovers tends to be stuff that they are exposed to by other means – not by search." Thus, instead of another search engine, Siddharth believes that what internet users really need is an engine to assist with discovery.

A discovery engine like Flipora can succeed, according to Siddharth, because it follows in the footsteps of other IT innovations. The co-founder believes that, "all of the great milestones in IT in the last decades had one thing in common: they fundamentally reduced the friction between people and information." In the case of Flipora, friction is minimized by eliminating a person's need to search, instead of keyword searching, where a user's browsing history becomes their driver.

In keeping with the notion of a driver, Infoaxe co-founder Vijay Krishnan analogizes Flipora to a taxi driver. In the analogy, Flipora is like a cab driver in a foreign country who knows where a traveler normally hangs out and uses this knowledge to take them to comparable places.

Unlike a taxi driver, however, Flipora stands to earn substantially greater tips. The engine's founders envision monetizing both its user traffic and the recommendations of sponsored sites. Traffic from users stands as a kind of "low hanging fruit" that the founders believe can be used to bring Flipora into profitability over the next few years. Right now, the site has over 10 million users and gains an estimated 100,000 users every two days. Monetizing this traffic will create a valuable source of revenue.

Even more valuable, though, is the potential revenue that can be gained from sponsor recommendations. If Flipora can be with a user on a high percentage of the pages that they visit, the engine has an opportunity to earn money from sponsors who will pay to offer recommendations on the engine.

It is this latter prospect which has Flipora's founders most excited. Siddharth and Krishnan point to Google's two advertising products – AdSense and AdWords – each of which generates an estimated $20 to 30 billion annually. In the case of AdSense, the founders point out that many ads are not clicked on. With Flipora, however, the ad is the recommendation, practically guaranteeing that it will be clicked on. Flipora's founders also believe it has an advantage over AdWords because Flipora is with users at every step in their browsing, rather than just at a single step.

Despite their engine's potential revenues and the Google comparisons, Flipora's founders seem to understand the importance of remaining level headed. Since launching Flipora in 2011, the founders have largely avoided monetization, choosing instead to continue building their product and growing user engagement. Slow and steady seems like a safe strategy for developers who are, in Krishnan's words, "building a product which can influence anyone who has a web browser."

The company has had $3 million in venture investment from Labrador Ventures, Draper Fisher Jurvetson, and individual investors. The company competes against StumbleUpon. RH

Forescout Technologies

Company: ForeScout Technologies
URL: www.forescout.com
CEO: Gord Boyce
Sector: Computers/Software
Country: USA
VC$: Yes

Bringing your own device to work? ForeScout keeps the locks on the front door. Specializing in automated security control solutions, the company can instantly secure as many as 250,000 devices, completely without an agent, requiring no prior knowledge of a user or device to enforce cyber security criteria and company policies across the entire network. By taking a network strategy rather than an end point approach, the company automates what could be an otherwise lengthy process at about a fifth of the cost of the industry standard.

"You don't need to boil down the ocean when you install our system," said Gord Boyce, CEO of ForeScout. "It's effective and easy to manage. Once you've secured your system for any number of mobile devices, your costs evaporate and your productivity goes through the roof."

The security agent market is about $500 million, but as BYOD becomes the standing office policy, Boyce estimates the company easily faces a multi-billion market. And it's well on its way to carving out a sizable stake. With over 1,300 enterprise customers, the company serves a who's who of the Global 2000, including the US Department of Defense, financial institutions, managed service providers, and just about anybody needing security for mobile devices at work. About 70 percent of its base is in the US, with 15 percent in Europe and 15 percent in Asia. Its had an average growth rate of 40 percent since 2007, which in recent years has accelerated to 60 percent as the BYOD phenomenon matures, Boyce explained.

Founded in 2000, the company began specializing in intrusion prevention before transitioning to network access security in 2005. In the last year, it has focused those efforts primarily on BYOD due to high customer demand, which has been a challenge to satisfy, Boyce admits. The company has a team of 40 engineers, which it plans to dramatically increase over the next 12 months.

"Our problem right now is we can't keep up," Boyce said. "It's a good problem to have, but a challenging one nonetheless. Sometimes we've had to make some tough choices when it comes to our resources."

Its next challenge is how to instantly secure a million endpoints over its current 250,000. Boyce hopes to have a solution soon.

At its current revenue growth of 60 percent, the company plans to IPO in the next 16 months. Currently reinvesting in its growth, it plans to be profitable in the next two years. Boyce estimates the company could reach $500 million in the near term.

"What keeps the heads of corporations up at night is Bring Your Own Device to Work," Boyce said. "We have such an elegant, simple solution to that problem that the opportunities for us are endless. This is a giant trend, and we solve the transitory challenges to this new world better than anyone else."

Simplifying a complex problem, ForeScout maintains significant advantage in a market that has only begun. The company is based in Cupertino, California. RH

Fusion Optix

Company: Fusion Optix
URL: www.fusionoptix.com
CEO: Terence Yeo
Sector: CleanTech
Country: USA
VC$: Yes

Consuming 22 percent of all US electricity, keeping the lights on costs serious cash. The Department of Energy has calculated that a modest of saving of 10 percent in electricity costs would result in annual energy savings of between $5 billion to $7 billion in the U.S. alone, and more than double if this figure were applied globally. Fusion Optix strives to revolutionize the LED lighting industry with optical components and solutions that are 5 to 30 percent more efficient. Through optimization and clever tricks in formulations involving a trove of over 80 patents, the company has developed components that minimize light loss in emission, while maximizing the performance of the light. On top of efficiency, lighting products are also cheaper to make. The company is about to release a revolutionary new light bulb design that provides more than 80 percent energy savings over incandescent bulbs at close to half the price of current LED light bulbs.

Specializing in not only energy efficient lighting but also boosting performance of LCD screens in smartphones and other gadgets, the company plans to slash the size of that smartphone bulge in your pocket. Not only does its LED technology save on battery wear, but it also enables much thinner gadgets while boosting a clearer, more enhanced and visible color that works better in direct sunlight.

Considering that its technology can improve not solely the entire LED light bulb market but also TVs, smartphones, tablets and just about any other LED enabled gadget, the company faces a global market of about a quarter of a trillion dollars. Those are serious numbers that Fusion Optix's Founder and CEO Terence Yeo characterizes as nothing short of "a revolution in our lifetime that will play out for the next 10 to 20 years. It's hard to imagine a market with as much potential as those associated with these emerging energy efficient LED lighting and displays markets."

The company's customer base is in the hundreds, including large OEMs and lighting manufacturers such as GE and Philips, LED companies such as Cree, and a number of new startups. It sells products in over 40 different countries. The company has recently reached a "sweet spot" through adoption by a large number of OEMs. "Sometimes it's just a question of timing. We seem to have caught this incredible wave at just the right time and it certainly feels as if we're well on our way," Yeo said.

Founded in 2003, the company manufactures all of its materials in-house based upon a range of proprietary processes and materials technologies that were funded and developed in some cases as far back as the early 90s. "It's taken the company 20 years to become an overnight success," Yeo joked.

Now that effort is beginning to snowball into results. The company earned $3 million last year, an improvement of earlier revenues in the hundreds of thousands of dollars. Growth has been accelerating lately, more than doubling year over year, earning the company placement in the Inc. 5000's list of the fastest growing private companies in the United States.

The company has had $9.5 million in equity investment to date, including a recent oversubscribed insider round that will help accelerate its growth. The company is based in Massachusetts.

Yeo sees the company's potential as limitless. He noted that a number of companies in the LED lighting space quickly grew to billion dollar entities, and he expects nothing less for Fusion Optix.

Fusion Optix is well positioned to revolutionize the way we light our homes, businesses and the gadgets we carry in our pockets. For this fast growing Red Herring Top 100 company, the future truly is a bright one. RH

Genwi

Company: Genwi
URL: www.genwi.com
CEO: PJ Gurumohan
Sector: Mobile
Country: USA
VC$: Yes

The average IT engineer is not known for their writing skills. By the same token, most writers are not known for being able to engineer IT systems. In both cases, the two groups of professionals recognize their skill-sets and do not attempt to complete one another's work. Engineers do not try to be writers, and writers do not try to be engineers.

At least not in most industries.

Publishing seems to be a glaring exception to this trend. In the publishing industry, the lines between creative individuals like writers and technical minds like engineers have blurred significantly. Those who generate creative content often focus as much on their content as on the technology behind it. And, from the other direction, those in IT today often direct their energies toward creative, non-technical pursuits. The result is usually sub-par IT from writers trying to be engineers and sub-par content from engineers trying to be creative.

In an effort to let creative people get back to being creative, Genwi was founded in 2010 to provide publishers with a system for managing their content in the cloud. According to Genwi CEO PJ Gurumohan, "We help them [content publishers] create highly engaging systems for all touch devices using what we call a cloud-based mobile content management system. It's not desktop publishing. It's not web publishing. It's cloud publishing."

Gurumohan believes Genwi's services have become essential with the rise of mobile devices. "Desktop and web publishing systems were not built for reaching out to these touch devices," the CEO said. "What is needed in the marketplace is something purposely built for mobile that offers engagement – engagement of high value content being presented in an innovative way." Genwi offers this engagement, allowing its customers in the publishing industry to reach those with mobile devices – a group Gurumohan terms "Generation Wireless."

Genwi's current customers include publishing heavyweights like Forbes, Conde Nast, and The Hollywood Reporter. The company serves these customers from Los Altos, California and from additional offices in New York City and Bangalore, India. Genwi assists its customers with the mobile Content Management System (mCMS), a platform that powers over 1,500 apps and serves over 6 million app views per month. In addition, the mCMS stores deliver an estimated 90 million articles and 120 million images on a monthly basis.

Customer satisfaction with the mCMS has propelled Genwi forward, with current projections anticipating 1,200 percent growth for the company this year. Genwi is supporting its growth with an estimated $5.1 million in investment. Approximately $1.1 million was raised from seed funding in September of 2010 and the remaining amount came from a Series A round the following year.

Further investment may become necessary because Gurumohan believes, "people are hungry to get on these devices and really create innovative experiences. And there's no one satisfying that hunger in the marketplace." With this hunger, it may not be hyperbole for the CEO to suggest that, "the entire industry of publishing is open for us to capture right now."

The company competes against Notify.me. RH

Gigya

Company: Gigya
URL: www.gigya.com
CEO: Patrick Salyer
Sector: Social Network/Media
Country: USA
VC$: Yes

Gigya strives to socialize the rest of the web. The company provides a one stop shop for websites seeking to provide social experiences to connect to their users and customers. Through social log-in, commenting, sharing features and gamification, the company provides websites easy plug ins to have Facebook-like sharing capabilities. By creating immersive online experiences, Gigya in turns provides unparalleled customer insights for businesses. Its seamless integration with Social Login increases traffic and time spent on-site via Social Plugins and Gamification, and transforms marketing through leveraging permission-based social identity data.

Gigya's three main business segments include social plugins such as comments feeds of Facebook-like activity feeds, gamification techniques that use badges, points and other incentives to encourage site activity, and an identification management tool that allows users to log in quickly using social platforms like Facebook and Twitter.

Touching more than one billion users per month, Gigya can deliver unprecedented social insight. The company serves more than 600 enterprises, including ABC, Pepsi and Verizon, adding an average 100 every quarter. It expects to reach 1,000 customers in the next year. Its customers include eight of the top 10 US media companies and 43 percent of the comScore top 100 US web properties. It holds partnerships with a number of e-commerce, marketing and analytics platforms including Magento, Oracle ATG, Demandware, Google Analytics and Adobe SiteCatalyst.

Gigya was founded by a group of Israeli technologists who had previously worked in leadership roles at a number of successful technology companies including Hotbar.com, Metacafe and SmartShopper. It began in 2006 as a widget distribution network that allowed users to embed branded content on websites and MySpace pages. The company pivoted to a SaaS business focused on connecting websites to social networks as Facebook and Twitter became popular. From that point, it has aggressively built out a comprehensive suite of social plugins, a user management platform and gamification technologies to provide businesses with all the technology needed to make their sites social. The company continues to innovate and release products. It added 10 products to its portfolio in the last year alone.

The company has raised nearly $50 million in funding from investors including Mayfield Fund, Benchmark Capital, DAG Ventures, Adobe, First Round Capital and Advance Publications. It currently employs 130 people in Mountain View, London and Tel Aviv, likely to expand to 200 in the next 12 to 18 months. Its international footprint includes Europe, the Middle East, Africa, APAC and Latin America.

The company competes against Bunchball, 500friends, Clearspring, and Badgeville. Gigya differentiates itself by offering a complete technological package of everything a business needs to socialize. Other companies typically offer only a product or two, and lack enterprise service and support. RH

Glaukos

Company: Glaukos Corporation
URL: www.glaukos.com
CEO: Thomas Burns
Sector: Life Sciences
Country: USA
VC$: Yes

Mid to moderate glaucoma patients currently use topical eyedrops to reduce intraocular pressure. Yet noncompliance rates can exceed 50 percent, resulting in further digression from the disease that can result in a loss of sight. Glaukos has developed a minimally invasive procedure that takes care of the treatment with one operation. Its iStent device is implanted under topical anesthesia and provides continuous 24/7 reduction of intraocular pressure in open-angle glaucoma patients. The company creates a new class of micro-bypass therapies that transform the management of open-angle glaucoma. It has led the creation of the new ophthalmic device market class known as micro-invasive glaucoma surgery (M.I.G.S.).

The company manufactures, markets and distributes iStent to ophthalmic surgeons in hospital outpatient departments and ambulatory surgery centers to manage patients with open-angle glaucoma. It sells the product directly to hospital outpatient departments and ambulatory surgery centers. It serves an estimated 8,000 active U.S. ophthalmic surgeons of which 500 are fellowship trained as glaucoma specialists. Glaukos actively supports promotion of its products to an additional 4,000 active ophthalmologists.

The idea for Glaukos began when a family member of life sciences professor Olav Bergheim, required an end-stage glaucoma surgery called a trabeculectomy, an effective procedure that is associated with a high incidence of complications. Dr. Richard Hill, a glaucoma specialist at UCI, had the idea that a tiny, implanted device could restore normal intraocular pressure in glaucoma patients. The company then enlisted Mory Gharib, a professor at CalTech to address and solve the initial technical issues that would be associated with an aqueous drainage implant.

The company received CE Mark approval for its flagship product in 2004 and recently secured FDA approval for the iStent implant. These two regulatory approvals open the company to major driver markets that generate over $5 billion in glaucoma sales. Glaukos has filed more than 50 patents. Virtually all of its R&D has been performed in-house since inception. As a late stage development company, it focuses the majority of its spending on R&D. However, the company is rapidly developing from a development stage to a commercialization phase, with selling, general and administrative expenses expected to surpass R&D investment in 2013 to 2014.

The company has raised $126 million in equity capital from Versant Ventures, Fjord Ventures, Frazier Healthcare Ventures, InterWest Partners, Meritech Capital Partners, Frazier Healthcare Ventures and Montreux Equity Partners. It will likely raise additional debt to bridge to positive cash flow. The company has 57 employees.

Glaukos utilizes Independent distributors in Canada and Europe, and recently expanded into the Asia/Pacific markets. Until 2011, about 100 percent of its revenues came from abroad. For 2012 and beyond, only about 15 percent of its revenues are international.

The company earned $400,000 in 2010, $500,000 in 2011, and $3 million in 2012. It expects to break even in late 2013 to early 2014, operating at a 90+ percent gross margin; 25+ percent operating margin by 2015. By 2015, the company expects to be earning $100 million in revenues.

The company competes against Alnara Pharmaceuticals, Bellicum Pharmaceuticals, and Chakshu Research. RH

Global Analytics

Company: Global Analytics
URL: www.global-analytics.com
CEO: Michael Thiemann
Sector: Internet & Services
Country: USA
VC$: Yes

The Visa for under-banks. That's the vision CEO Michael Thiemann has for his company Global Analytics. The company offers an end-to-end financial services platform targeted at helping under-banks transact online or offline with minimal friction. This platform provides predictive analytic services for all aspects of the consumer process, including underwriting, fraud control, pricing, and collections.

Currently, Global Analytics has a database of 2 million customers in the U.K. and works with clients who each have between 5 and 40 million customers. With a current growth rate of 100 percent per year, it is not inconceivable that the company could one day become as ubiquitous as Thiemann hopes. The CEO sees this as a strong possibility because Global Analytics "can make transacting with the under-bank just as easy as transacting with the traditional bank."

Easier transactions might then create vast, new customer bases in both developed nations and the developing world. Thiemann predicts that in the developed world, Global Analytics could potentially acquire "tens of millions of additional customers to the traditional offline as well as online merchants." And, in the developing world, the CEO is even more optimistic, envisioning a market with "potentially billions of customers that will be able to now transact in ways they were unable to without this technology."

If any company in the IT space has a shot at capturing these markets, it is Global Analytics. The firm has a strong heritage, which dates back over 20 years to the payment system, Falcon. In the payments systems business, Falcon is widely regarded as the most successful product of all time, having been employed by 2.1 billion accounts. Apart from its heritage, Global Analytics also has the distinction of being a profitable company with zero outbound business development. This means that the company has acquired all of its customers through word of mouth rather than through active forms of acquisition such as advertising or cold-calling.

While each customer has their own reason for seeking out Global Analytics, the company's efficiency likely plays a large role in every decision. Using its Zebit platform, Global Analytics can have an under-bank's system up and lending profitably within the span of approximately six months. This time frame is a far cry from other firms, which typically take 18 to 20 months to complete the same task.

Efficiency, it seems, is good for both business and investment. In the latter area, Global Analytics has secured approximately $50 million in equity funding. This capital has helped the company to establish a global footprint with 20 employees performing management duties in the U.S., 425 employees handling analytics in India, and 30 additional employees in the UK.

Having this corporate structure in place puts Global Analytics on track to potentially reach $1 billion in revenue in the next five years. In addition, the company may also be on track to achieve the kind of ubiquity envisioned by its CEO. Thiemann, for his part, remains confident in Global Analytics' ability to become the Visa for under-banks. In his opinion, the company will succeed because it "offers products that have only been available in brick and mortar world to a new generation that is more comfortable doing financial transactions on the internet."

The company competes against ZestFinance. RH

Global Village Concerns

Company: Global Village Concerns
URL: www.globalvillageconcerns.com
CEO: George Hampton
Sector: Internet & Services
Country: USA
VC$: Yes

Global Village Concerns creates a fundamental shift in the way schools and non-profits raise money by removing the barrier of regional locality, time, and effort. It offers an ecommerce platform that enables anyone to contribute to the cause, whether it be an aunt who lives on the other side of the country, or donors in a particular nationality or region. Plus, the company works with the non-profit to build a branding identity and market merchandise that in turn complement fundraising efforts. It works to increase visibility and community support to leverage online tools to optimize fundraising.

In addition to offering logo designs and merchandise, the company establishes an online storefront for the organization, giving schools with little resources an easy way to leverage ecommerce that can build financial support. Schools face no costs.

Clients include Rancho Christian Schools, Saint Monica Catholic School, and the Habersham School.

The company is headquartered in San Diego. The company was founded by George Hampton, who previously helped lead multi-billion dollar businesses in the biopharmaceutical industry. RH

GPS Insight

Company: GPS Insight
URL: www.gpsinsight.com
CEO: Robert Donat
Sector: Software
Country: USA
VC$: No

GPS Insight provides tracking capabilities for commercial and government fleet based vehicles, but it goes well beyond the typical "dots on a map" which you find with most of the competition, stated Robert Donat, Founder & CEO of the business. The company not only tells you where your vehicles are, but which ones have been idling and wasting gas, which drivers aren't really working the hours they claim, and which trucks are driven for personal use or side-jobs on the weekends.

Plus, instead of basic reports, the platform's notifications provide more than a simple email, sending a series of instant communications up through the change of command until the issue gets addressed.

"We take the concept of tracking several levels up to make it meaningfully automated and relevant to an organization and also make it significantly easier to administer," Donat said.

The company was founded in 2007, just as the technology had matured to facilitate its capabilities. It began first as a re-seller of GPS services, working for a number of tracking companies where it learned exactly what not to do, Donat explained. "That really helped us solidify our offering because we realized what the industry was missing, which was a powerful, scalable, and in-depth approach to GPS tracking."

With over 20 million commercial vehicles on the road in the US alone at several thousand dollars per vehicle, Donat estimates the market to be worth about $10 billion per year. Only about 15 percent of those trucks currently use GPS services. "We expect at least half to two-thirds of those few using GPS to be unsatisfied customers."

GPS Insight is primarily based in the US, though it does track some vehicles in Australia, Canada and Mexico as well.

The company today serves over 1,500 customers and tracks over 40,000 vehicles. In the past year, the company's sales have quadrupled. Donat expects the business to earn about $16 million this year, with profits in the $4 to 5 million range, and a 42 percent growth rate. He expects the company to reach $50 million in the next four to five years.

Such a growth rate has made the company ripe for acquisition, and Donat has heard from a number of potential inquirers. The trouble, however, is that the company's revenue exists based on a number of partnerships that would likely be obliterated under such an acquisition, limiting the company's value. For now, Donat is focused on growth and building the company as a stand-alone company.

And with a mere $200,000 of outside investment, the company has managed such expansion on a dime.

One way to appreciate the company's value is to compare the data it purchases from third parties to run its services against the value it is still able to provide for customers. Those third parties generally operate on a 95 percent margin, making up a good deal of the company's cost. Nevertheless, GPS Insights operates at 85 percent margins, still makes a profit while having satisfied customers who obtain significant ROI, Donat said.

"We pay our data vendors significant margins, make them as well for ourselves, and our customers pay it gladly because they save hundreds of dollars per month per vehicle," Donat said. "Our technology tells them where the waste is, and really works to protect their bottom line."

GumGum

Company:	GumGum
URL:	www.gumgum.com
CEO:	Ophir Tanz
Sector:	Internet & Services
Country:	USA
VC$:	Yes

As the world's largest in-image ad platform, GumGum targets ad placement at the highest point of user content interaction, resulting in a click-through-rate that's 10 to 20 times the industry standard.

The company invented the in-image ad unit, and today is a leader in the category. It works with thousands of publishers such as Gannet, Hearst, and the New York Times, which put its code on their websites so its technology can analyze the images contained in those billions of web pages. This way, the company gets a rich understanding of what those images are all about. It then sells that targeting data at the keyword level to marketers, who can then more intelligently embed ads related to the content being presented.

"Supporting the continued production of high quality journalism is one of GumGum's key objectives," said Ophir Tanz, founder and CEO of GumGum. "We've created a highly contextual ad unit that meaningfully drives revenue for publishers while enabling advertisers to capture users' attention at the moment they're most engaged with relevant content. It's highly contextual advertising that produces metrics you just don't see with traditional banner advertising."

With the multibillion-dollar ad agency quickly accelerating, the company is well positioned to take a large chunk of the market, Tanz said. Its customers include BP, Toyota, and Disney, not to mention every major movie studio, TV network and car manufacturer in existence. The company serves over 150 million monthly uniques, and was rated the 8th largest collection of properties in the world by Quantcast.

Growth has been skyrocketing. Profitable by wide margins, the company earns eight figures in revenue, tripling its take year over year. By next year, Tanz expects that growth to be 4 to 5x next year, and likely 5 to 6x the following.

The demand for its technology is understandable, as its services are one of a kind and not easily replicated.

"The technology behind GumGum is proprietary and difficult to build," Tanz said. "Computer vision is one of the hardest realms in computer science. You need a deep understanding of images in order to do what we do. In order to properly compete in this space, an entity would need to spend several years developing image recognition methodologies to understand images at scale."

A serial entrepreneur, Tanz already had a rich understanding of image technology. He had previously sold Mojungle.com, a mobile media sharing platform similar to Instagram that he admits he might have sold a little early. His knowledge inspired him to found GumGum in 2007, and he spent a year building the basis of the technology before signing up Time Inc. in 2008. The platform remains a continual work in progress, however. "This is a problem where you never really get good enough," Tanz said. "We're constantly evolving and honing the platform. We could always understand images more deeply."

The company has had $11 million in investment from GRP Partners and First Round Capital. It's already refused six to seven acquisition offers. Tanz sees the company's potential as a multi-billion-dollar opportunity, and he aims to take it all the way. Not selling out this time makes sense, as the company enjoys a market that has plenty of room for growth with a technology that is not easily replicable.

"We are the first movers in this space, and we aim to continue to rule the market," Tanz said.

HyperOffice

Company:	HyperOffice
URL:	www.hyperoffice.com
CEO:	Farzin Arsanjani
Sector:	Computers/Software
Country:	USA
VC$:	No

Founded in 1998, HyperOffice began offering its collaboration software as a service tool long before SAAS was the buzzword of the industry. The company provides a feature rich, end-to-end cloud-based social collaboration tool, complete with messaging and mobile solutions tightly integrated into a simple interface that's adaptable to all devices and channels. Its technology was designed with user capability in mind, providing small businesses lacking IT resources an affordable, alternative means to sophisticated technology with long deployment cycles. The platform is easy to consume, deploy and provides extensive support of mobile devices. Easily adjustable, the technology enables customers to scale up or down according to their means, and can easily be adapted to incorporate new geographies and include third party platforms.

"Our technology enables small to medium size businesses to define the processes and workflows in an organization, and create a collaboration environment around that," said Farzin Arsanjani, CEO of HyperOffice. "Through cloud technology, we enable small to medium size businesses to take advantage of collaboration technology very cost effectively."

Its multilingual platform includes English, Spanish, French, Japanese and other languages according to market demand. About 90 percent of its customer base is the US, the rest spread throughout the world. It gains customers either through direct sign ups or through channel partnerships it holds around the globe. Today, it serves thousands of customers. While Arsanjani declined to give a specific growth rate, "we are very excited about the prospects moving forward," he allowed.

"Once these technologies are deployed effectively in an organization, it's a huge boost," Arsanjani said. "The idea of bringing this technology to benefit small to medium size businesses was the driving force to launch this company, and it's the cloud that has made it possible."

The company launched its current product in 2004 to a number of trial customers, implementing that feedback to revamp its approach. Its engineering team quickly learned that a tightly integrated application provided customers a much easier adoption as well as greater return on investment, Taneja said. It then designed the product to be scalable and easy to use, an evolution that continues today.

"Even in the last 18 months, we have put a lot of emphasis into making our product, technology and operations a lot more conducive for our partners in building up our channel," Arsanjani said.

Such an approach has led to a double digit growth rate and profitability. And it's done so with no outside investment. The robust approach of the technology allows it to be consumed in any number of ways, which opens up the potential for partnerships that continue to increase its revenue, Arsanjani explained.

"You can be a partner of HyperOffice and quickly adapt it to multiple products that fit your specific market, and then easily adapt it to a new market," Arsanjani said. "It doesn't take any effort to create derivative products from HyperOffice. Our limitation is more a function of how creative we can get in exploring different markets and how many partners we can collaborate with to create hugely profitable revenue streams."

Innotas

Company:	Innotas
URL:	www.innotas.com
CEO:	Kevin Kern
Sector:	Computers/Software
Country:	USA
VC$:	Yes

How well do you know your business? It's a question that company owners may scoff at or even be offended by. Yet, according to Innotas CEO Kevin Kern, many owners often do not know the exact workings of their own companies.

To illustrate his point, Kern cited one of Innotas' clients, a company that believed it had 20 projects in progress. As it turned out, the client was actually running 70 projects. This discrepancy is striking and reveals the need for visibility within companies.

With seven years of experience under its belt, Innotas aims to provide such visibility. The San Francisco company offers cloud-based software for project portfolio management, resource management, and application portfolio management. Kern believes this software increases visibility because it enables companies to "see where requests are coming from, how they're prioritized, where they are in terms of time and budget, who's got capabilities to work on something, and who doesn't." This knowledge can then be spread to people throughout an organization, regardless of whether the individuals are working on projects in IT or elsewhere.

Innotas has over 250 customers occupying sectors ranging from government and education to retail and finance. The firm's first customer was T-Mobile, an account created when Innotas launched in 2005. Since then, the company has grown steadily, with revenues approaching $20 million. Kern expects Innotas to break-even by the start of 2013 and then grow at a rate of 50 percent over the next two years.

If Innotas can grow along these lines, the company stands to dominate a $3 billion to $3.5 billion global market. Before doing so, however, Kern and his team are focused on perfecting their operation in the U.S. Innotas recently completed a Series B round and has collectively received $20 million in investment from ArrowPath Venture Partners, Velocity Interactive Group, and several strategic investors. The funding has been used to build a sales and support staff that the CEO praised as outstanding.

Having this staff in place is essential for Innotas because the company generates revenue through a virtual telesales model. Those who purchase from Innotas receive a subscription to use the company's software and technical support that extends for the life of the contract. This makes it imperative to have the right team in place.

So far, Innotas seems to be on the right track with regard to its employees. The company was recently voted one of the best places to work in the Bay Area by the San Francisco Business Times. This distinction is all the more impressive given that it includes Silicon Valley – an area with companies known for giving employees extravagant perks.

Having been honored by the Times and having begun to carve out a sizable niche in the cloud IT management space, Innotas appears firmly in control of its destiny. The company means business, and with leading management software, Innotas certainly knows its business down to the smallest data point.

The company's competitors include AtTask, Daptiv, Clarizen, and LiquidPlanner.

InVisage

Company:	InVisage
URL:	www.invisage.com
CEO:	Jess Lee
Sector:	Semiconductor
Country:	USA
VC$:	Yes

Get the Picture? InVisage does. The Menlo Park company has developed a technology which makes cameras more sensitive to light, resulting in clearer, more life-like photographs.

In discussing his company's technology, CEO Jess Lee described it as enabling the next generation of cameras, a description that is hardly an overstatement considering the mechanics of the technology. Existing digital cameras, particularly those used in cell phones, rely on a CMOS sensor to take pictures. The problem, though, is that the camera is not actually capturing the image, but merely scanning it. As a result, pictures often emerge with a wobbling, Jell-O-like effect.

To obtain a better picture requires cameras to move beyond scanning to truly capture images. InVisage believes that it has done just that with the creation of an "instant shutter," an electronic shutter which captures images immediately, rather than scanning them. In this way, the instant shutter produces images on the spot, without any delay-induced wobbling. The technology is akin to the shutters on traditional, non-digital cameras and immediately sets InVisage apart from any potential competitors.

The company is further distinguished by its method for capturing light. Unlike industry giants such as Kodak and Fujifilm, InVisage does not rely solely on a silicon-based semiconductor for capturing light. Instead, the company's technology accomplishes this task by combining silicon with light-absorbing photographic film. The result is QuantumFilm – a new technology for capturing light that produces more sensitive images than existing alternatives. Using QuantumFilm, it is now possible, for example, to simultaneously see both bright and dark colors in outdoor photographs.

The breakthroughs made by InVisage have not fallen on deaf ears. Since its founding in 2006, the company has completed three rounds of funding and received a total of $51 million from Intel Capital, RockPort Capital, InterWest Partners, OnPoint Technologies and Charles River Ventures. Investors appear to get the picture and understand the market opportunity for InVisage's technology. Lee described the potential as beginning with camera phones and eventually extending across the entire camera market. The opportunity is particularly ripe given that all of InVisage's competition uses CMOS technology.

Though the company has yet to go to market, Lee expressed confidence in the company's eventual success. In most discussions of the product, the most commonly asked question is, "When can I get it?" the CEO recalled. Equally compelling is the feedback that InVisage has received from leaders in the cell phone industry. According to Lee, "80 percent of all cell phones shipped in the world are from the top five guys. We're engaged with all of these players and every single one has given us feedback that this is the technology they're looking for."

If this feedback is any indication, InVisage is certainly a company to watch, one that may in time achieve picture-perfect results.

Jaspersoft

Company: Jaspersoft
URL: www.jaspersoft.com
CEO: Brian Gentile
Sector: Computers/Software
Country: USA
VC$: Yes

San Francisco-based Jaspersoft chose its name based on perceived advantages to competitors in the market. According to CEO Jim Bell, "The idea was to have a much more accessible, inexpensive, J for Java, alternative to Crystal Reports. The naming was a little jab at Crystal Reports by choosing jasper as a less precious and hence less expensive stone."

Guided by its namesake, Jaspersoft provides business intelligence solutions that are affordable and easily scalable. The company's software comes in two versions, depending on the needs of a user. The first, a community version, is open source and freely available to anyone. This open architecture is advantageous because it allows Jaspersoft users to easily embed the software into their own products.

If users find that they need additional, more high-level features, they can then take advantage of a second, commercialized version of Jaspersoft. The commercial version differs sharply from the competition, though, because it is not sold on a per-user basis. Jaspersoft is not concerned with how many users a customer has. Instead, the firm's software is built to scale and is therefore sold on a server-based model.

Companies have flocked to this model in recent years, eagerly scaling their operations with Jaspersoft. Over the last four years, Jaspersoft's commercial base has grown at a rate of 50 percent per year. The appeal for customers seems to lie in both scalability and the fact that Jaspersoft easily supports embedded BI (business intelligence) within applications.

On the commercial side, the company has 1,200 customers for its server products and thousands more for its other offerings. These customers are split evenly between technology providers such as software companies and SAAS providers, and those who use Jaspersoft's products in a standalone fashion. In the second group, customers range in diversity from financial services firms to healthcare providers and telecommunications companies.

The company is equally strong with its open source base. In open source, Jaspersoft has over 275,000 registered members and its software has been downloaded over 16 million times. Downloads come from users all around the world, with users in the U.S., Canada, and China contributing most heavily. Like the commercial version, those who download the open source version vary tremendously. An open source user can be anyone from a worker at a small non-profit in the developing world to a manager at a prominent Fortune 500 company.

Regardless of where a user is located, Jaspersoft will be there. The company has a strong global presence with 170 employees working from offices in North America, Europe, Asia-Pacific, and Latin America. Of these regions, North America is believed to account for approximately 60 percent of the company's revenue. The remaining percentages come from Europe (30 percent) and Asia and Latin America (10 percent). At the current pace, Jaspersoft estimates that these revenues will propel it to profitability by January of 2013. The company may be named for a dull, cheap stone, but it has clearly begun to shine.

Jaspersoft has received $11 million in investment from Red Hat, SAP Ventures, Quest Software, Doll Capital Management, Morgenthaler Ventures, Partech International, Scale Venture Partners, and Adams Street Partners. The company competes against SAP BusinessObjects, IBM Cognos, Microstrategy, as well as open source competitors such as Pentaho, Actuate and Jedox.

Kabbage

Company: Kabbage
URL: www.kabbage.com
CEO: Rob Frohwein
Sector: Finance/Banking/Brokerage
Country: USA
VC$: Yes

Online sellers on eBay, Amazon, Etsy or independent online stores need capital to mobilize their inventory in order to harvest a profit. Yet they can't regularly turn to traditional banks for these smaller advances, as institutions typically specialize in lending larger equity packages. Kabbage fronts smaller advances to small businesses participating in ecommerce channels, giving them the capital they need to keep their inventory flowing in less than 10 minutes. The company then charges a small fee, or interest, of 3 to 18 percent, depending on the risk and timeline of the advance. The interest is based on financial history, size, and ability to pay.

Based in Atlanta, the company provides a valuable service that contributes to the overall economy, as the small business market makes up nearly half of all employees and contributes to 2/3 of all new jobs, said Rob Frohwein, Co-founder and CEO of Kabbage.

"Kabbage enables small businesses to grow quickly," Frohwein said. "We are feeding a part of the economy that truly fuels the overall economic engine in the market. We're helping to create a world where small businesses can grow, invest and continue to feed the job market. We're contributing real economic stimulus."

And the company is growing like a weed. It currently serves over 40,000 accounts, expanding 20 to 25 percent month over month to the tune of 8 to 10 thousand new businesses on board the platform every month. The company has made over 25,000 advances, and will soon be contributing over a billion dollars to the small business economy.

Yet the company isn't blindly writing checks. It aggregates a variety of data from the various online marketplaces through an automatized approach that quickly gauges the risk factor of each advance. It aggregates this data, and then provides it to the small businesses to serve as credit checks, maximize growth, or empower business strategies.

Frohwein previously served as CEO of LAVA Group, Inc., an intellectual property investment bank, as well as VP of Strategic Alliances and General Counsel of Security First Network Bank (SFNB), the world's first Internet bank. Well familiar with the financial industry, he knew the problems small online sellers experience getting access to capital, and also realized the financial data behind these companies was quickly available through the mediums in which they sold.

However, he founded the company in 2008 just as the global economy began to fall into financial crisis, "probably because I was just plain crazy," Frohwein admitted. Nevertheless, he worked to develop the platform and landed a capital investment in 2009, signing his first advance in June of 2010. First, it began solely on the eBay platform, but then added Amazon, Etsy and a variety of independent websites as its growth spiraled.

So far, the company has received $56 million in equity investment from Thomvest Ventures, UPS Strategic Enterprise Fund, Mohr Davidow Ventures, BlueRun Ventures, SV Angel and others. The company earned a "respectable" revenue in 2011 and bring in 10 times its take in 2012. Today, the company is one of the fastest growing companies in the history of small business financing, Frohwein said.

The company's market is focused on the US and recently launched into the UK. It plans to expand into Canada over the next year. It faces competition from Amazon, On Deck and Capital Access Network.

"Our success continually reinforces the hunch I had years ago," Frohwein said. "Small businesses need capital to grow, and there's plenty of data available to assess the risk. This is a market that grows by leaps and bounds."

Liaison

Company: Liaison Technologies
URL: www.liaison.com
CEO: Robert Renner
Sector: Computers/Software
Country: USA
VC$: Yes

Most cloud integration environments are limited, one-size-fits-all solutions. Liaison, however, provides cloud integration and data management solutions that are served up to the order of the customer, customized to their unique needs. The company's cloud services are completely adaptable for their clients' business processes as they use them, offering customized flexibility that meets customers at the front door. Plus, instead of a single package of cloud solutions, the company offers a completely comprehensive holistic solution, providing a variety of services under one cloud.

"We offer the Starbucks model of cloud services," said Bob Renner, CEO of Liaison. "You can ask for a venti soy chai latte with no water, extra hot, and Starbucks gets it right every time. Liaison delivers perfectly tailored cloud solutions to meet your unique business needs every time."

The company serves 8,000 global enterprises and mid-market customers, growing at about 20 percent per year. About 25 percent of its market is outside the US, with a strong footprint in Northern and Central Europe and about 135 clients in Asia.

The company began offering shared services for data management as early as the dot.com days of 2000. Realizing the cloud was the future long well before the term was coined, the company spent three years building its IP, not to mention over hundreds of millions of dollars invested from its own funds. It currently maintains six key patents in the US, and three in Europe. It served primarily early adopters between 2003 and 2006 before reaching greater masses as the market matured.

Acquiring those early adopters took resolve. Larry Mieldezis, Liaison's COO, remembers one remote deal talk with a large prospective customer that ran the full workday. Greatly needing the company in their portfolio, Mieldezis and Renner decided to physically drive to the company's doorstep, leaving at 2 a.m and arriving early the next day to meet them in person.

"They were surprised and a little irritated to see us, but we met with them and convinced them of the value of the platform. They remain a valuable customer to this day," Mieldezis said. "It shows the distance we're willing to go to meet the needs of our customers."

Since 2006, the company has maintained strong profitability and growth, with about 70 percent of its revenues recurring. It has about 350 employees.

Part of that growth comes from the company's all in one platform, Renner said. While many cloud services only specialize in one or two integration and data management applications, requiring the customer to use multiple cloud services to meet their needs, Liaison delivers a single platform that covers it all.

"Liaison has carved a nice spot in the center of the market," Renner said. "Connect to us, and we'll simplify your needs by connecting you to all these different services. We keep it simple for the customer to adopt new technologies in the cloud or behind the firewall."

"We are one of the largest pure play cloud brokerages in the market right now," Mieldezis agreed. "We have a lot of competitors like IBM and SAP that do a lot of different things, but we are well positioned to be a better alternative to these big players by offering more targeted and more flexible cloud integration and data management solutions."

Lightsail Energy

Company: LightSail Energy
URL: www.lightsail.com
CEO: Steve Crane
Sector: Energy
Country: USA
VC$: Yes

Solar and wind energy come and go with the weather and the time of day. Capturing these energies for storage can be complex, traditionally done by pumping water uphill and harnessing the energy as it rolls back down. This requires considerable space, typically mountain ranges. Typical air compression, similar to what you would find in a scuba dive shop, also fails, as the air, heated by the compression process, quickly cools off, dissipating as much as 90 percent of the stored energy as useless waste heat.

LightSail solves the problem of wind and energy power storage by combining air compression with water and creative thermodynamics. The company uses tiny water droplets to absorb and hold onto the heat of compression, using thermodynamic science to deliver up to 70 percent of the energy stored. The company effectively makes wind energy storage a viable reality, making it possible for wind farms to capture power at night and sell it at peak times of the day when the energy is typically far more valuable. Solar panels, likewise, can store the energy at peak sunny times of the day and use it whenever.

"We enable intermittent renewable energy sources to supply energy exactly when it is needed," said Steve Crane, CEO of LightSail Energy. "The lack of this technology is what has been holding back the viability of wind and solar power."

Other traditional means of storing energy include lithium ion batteries, which can be considerably more expensive and only last about seven to eight years. LightSail Energy's compression units cost a fraction of the battery and can last for up to 20 years.

Still in an R&D phase, the company plans to release its product on the market by 2014, focusing first on large enterprise wind and solar operations. It plans to be global from the start, as the technology faces considerable demand in Europe with greater government incentives for renewable energy. Though the company has yet to sell the product, Crane anticipates demand will be higher than the company can meet.

"There is pent up demand for this technology at the right price point that is just off the charts," Crane said. "I've never seen anything like it."

The technology is the brainchild of Co-Founder and Chief Scientist Danielle Fong, a prodigy who began her PhD in fusion research at Princeton at the age of 17, was recently featured in Forbes 30 Under 30, and is the youngest of this year's Technology Review 35 innovators under 35. Realizing that energy storage would provide faster solutions than fusion, Fong designed the solution and showed it to Crane, who realized this could not only be the makings of a billion dollar company, but could also make renewable energy a widely usable commodity. The two spent a year building a business plan before landing funding from Khosla Ventures. It took another year to get the first generation up and running at a 100 kw scale.

The company recently landed a round of funding from Bill Gates and Peter Thiel, the co-founder of PayPal, bringing its total capital to $52.3 million.

Though substantial revenue may be years away, Crane anticipates the company will break even by 2015 depending on how quickly it can scale. He doesn't see why the company couldn't have revenues of a billion dollars in five to 10 years.

"The opportunity to solve the world's energy problems quickly and cleanly is within our reach," Crane said. "You can put this application down on a wind farm and immediately increase its revenue, or put it in a remote community and power an entire village. We have the essential technology that can seriously reduce our dependency on fossil fuels."

Based in Berkeley, the company competes against General Compression and SustainX. RH

Madison Performance Group

Company:	Madison Performance Group
URL:	www.madisonpg.com
CEO:	Werner Haase
Sector:	Other
Country:	USA
VC$:	N/A

How can a company get its employees to excel? Madison Performance Group knows the answer. Over the last 40 years, the company has helped employers around the world motivate their workers to excellence. The key to this motivation lies in Madison's technology, which allows employees to be recognized for specific behaviors. Madison COO Alex Alaminos sees recognition as essential because "If an employee feels recognized, they are more likely to stay." Using the company's configurable business tools, an employer can recognize positive behaviors in the workplace, driving these behaviors and increasing overall worker engagement.

Speaking of engagement, Madison does not appear to have had any difficulty engaging those in the corporate world. The company is growing steadily at a rate of 10 to 15 percent per year and saw revenues in 2011 reach $117 million. At the current rate, Madison expects this year's revenues to top $130 million. These earnings are derived from usage of the firm's technology, along with other sources of income such as monthly project management fees.

Madison's client base is made up of more than 30 companies. On the surface, this number may seem meager for an organization that has been in business for 40 years. The catch, however, is that Madison Performance Group specifically targets companies with 5,000 employees or more. This approach has led the Group to work with massive multinational corporations like Accenture, Siemens, and Citi Group. In doing so, Madison boasts a high rate of retention. According to Alaminos, most of Madison's clients have been with the firm for five years or more. In addition, the firm's first client, acquired nearly 40 years ago, is still with them today.

These results have positioned Madison as a leader in performance improvement incentives and recognition, a $46 billion dollar industry. The company has led this industry since 1996 when it worked with MCI WorldCom to launch the first known recognition program for an HR suite. The launch was a success for Madison Performance Group, although success has tended to be the norm for a company which has been profitable since its inception. The company competes against TemboSocial.

Looking ahead, Madison has every reason to expect more success in the future. The company is privately owned and has grown without receiving outside investment of any kind. Also, despite working with companies that have thousands of employees, Madison itself has managed to remain small. The company retains a boutique feeling with just 75 employees. These employees work from the global headquarters in New York City and from additional locations in Brazil, Mexico, Sweden, China, and India. RH

Market Force

Company:	Market Force
URL:	www.marketforce.com
CEO:	Karl Maier
Sector:	Other
Country:	USA
VC$:	Yes

Running a retail chain throughout regional and international markets requires a mixture of guesswork and voodoo. Market Force removes the mystery of running a complicated retail network through hard analytics that optimize sales potential. Providing customer intelligence, the company collects various types of data at every level of the retail chain, tying it all together through sophisticated analytics that give an integrated view of how it all fits together. Based on that data, it then forms an actionable plan at the individual store level to drive up customer satisfaction, spending, and referrals in order to maximize financial performance.

One of the world's largest retail companies used the company's platform to measure out employee compensation, and managed to raise their store sales by 3 to 5 percent.

"We provide our clients a much easier way to understand what's going across their entire footprint on a local level," said Karl Maier, Co-founder and CEO of Market Force. "There's never really been a tool out there that gives these multinational stores the ability to drive action at the local level."

The company serves the $2 billion customer experience industry that includes auditing, customer satisfaction surveys, and call center information, as well as the $9 billion market research analytics market. It serves mainly big box retailers, mass merchants and wireless carriers, with its average client spend at $200,000 and larger customers spending $3 to 5 million. The company has also identified a number of other verticals for additional revenue.

After spending a number of years as a "turn-around guy" helping struggling venture backed startups, Maier teamed up with co-founder Paul Berberian, a serial entrepreneur. Berberian identified the customer intelligence space as an area ripe for consolidation, and the two launched Market Force. The business acquired a number of companies along the way to form its key technology and spent the last two and half years investing heavily in the next generation platform.

The company currently has over 300 clients for its range of existing products, including Travel Centers of America, Pilgrim, and Five Guys. It recently rolled out a new product solution, the Customer Intelligence Platform, that has a few customers with several more in the sales pipeline. The company has grown at 25 percent annually for the last several years.

The company has expanded considerably internationally over the last couple of years through a number of key acquisitions, including a Canadian company in March of 2011 and a UK company in September of 2011. It recently opened an office in Paris and another in Madrid, and through key partnerships has expanded to a number of European countries. It plans to soon enter the Latin American market.

Its competitors include Service Intelligence, Corporate Research International, and BestMark, and Maritz.

Based in Colorado, the company has raised just north of $50 million in equity, and carries $20 million in debt, most of which has been spent on acquisitions. Investors include Monitor Clipper Partners, Centennial Ventures, Boulder Ventures and Vista Ventures. Earning $60 million in revenue this past year, the company has been profitable at about a 10 percent rate. Maier expects the company to reach $100 million in the next year or two, and perhaps $300 to 350 million with high profitability in three to five years. The most likely exit for the company would be an acquisition or public offering, Maier said. RH

MedAvante

Company:	MedAvante
URL:	www.medavante.com
CEO:	Paul Gilbert
Sector:	HealthCare/Pharmaceuticals
Country:	USA
VC$:	Yes

Traditional clinical trials for mental health simply don't work. In fact, even FDA-approved medication fails 50 percent of the time in clinical trials. Paid a considerable sum per patient admitted to each study, health centers running the tests face little incentive to get the right people into the programs, as the more patients they provide, the better they're paid. This results in slanted tests on patients whose symptoms may not be severe enough or applicable to the drug. At the same time, those given the tests are often provided different training parameters per facility, resulting in a bias that further skews the results. This results in a high cost to approve mental health drugs, discouraging the pharma industry from coming up with solutions to mental health disorders that will affect one in four people over their lifetimes.

MedAvante uses video conferencing and technology to make such testing objective rather than subjective. Trained psychologists interview each patient on a large video conferencing screen. The company is not paid per patient, and the reviewer knows nothing about the extent of the patient's symptoms beforehand. Thus, the company receives no incentive to place those in the program who do not belong. The interviewers stay with the company long term, and can be trained to provide a consistent analysis according to the company's parameters.

"Our clinical interviewers are completely blinded to the subject's condition," said Paul Gilbert, Co-founder and CEO of MedAvante. "All our interviewers do is rate patients, so we can afford to invest in their training and hone their skills until the interviewers are virtually interchangeable. As a result, we bring objectivity and standardization to an inherently subjective process."

Such a centralized approach was demonstrated to work in 85 percent of head to head studies comparing MedAvante's solution to local research sites. Not only has MedAvante been proven in the clinician's lab, but in the marketplace as well. The company serves 14 different drug sponsors, including 7 of the 10 largest pharma companies. It has grown 50 percent each of the last five years.

Gilbert was inspired to found the company in 2002 alongside Co-founder Amy Ellis by his own family history with bipolar disorder. It took four years for the company to land its first drug study. Adoption was initially slow, but once the FDA accepted its first drug tested using MedAvante's method (a J&J anti-psychotic) three years ago, traction took off. Last year, the company made $30 million in revenue, and expects at least $45 million this year. It reached the break even point in the second half of 2012.

The company has had $34 million investment, including $14 million in smaller investments from a number of pharma and Wall St. investors, and a $20 million round from Goldman Sachs' Principal Strategies Group.

Six years into testing mental health medications from a centralized strategy, Gilbert doesn't worry about a competitor stealing the business's idea. There's simply too much involved and the company has a long head start, Gilbert explained. A number of startups have tried to do centralized ratings, but failed once they see the expenses involved. It does compete against Aris Global, BioProcessors, and Acurian.

"Empirically, this strategy looks much easier than it actually is, and we're no longer concerned with fast followers," Gilbert said. "Our real competition is those companies that choose to try the traditional method just one more time."

But that 50 percent failure rate will be enough to spur an industry transition, Gilbert believes. And at $750 million market opportunity, there's plenty of room to grow. "We really face no ceiling with this approach," Gilbert said.

Memoir Systems

Company: Memoir Systems
URL: www.memoir-systems.com
CEO: Adam Kablanian
Sector: Semiconductor
Country: USA
VC$: Yes

Faster memory speeds add up to faster computing performance, accelerated uploads and faster network applications. Most chips use a single memory port, or add two or three memory ports through a circuit approach, but are limited to how much memory they can contain, ceasing to be efficient past 32 KB. Memoir Systems' unique Algorithmic Memory® technology and Renaissance™ products can be utilized with any present memory technology and can add as many as ten memory ports to an existing single-port memory.

The resulting, enhanced memory products can increase the performance of existing memories by up to 10X more Memory Operations Per Second (MOPS). And, because the company's products are implemented at the register-transfer level and are exhaustively, formally verified, there is no need for the silicon validation process required for building custom memory circuits. All of these value-added features yield a multitude of benefits for Memoir's customers including improved time-to-market and time-to-volume for new process nodes, reduced development cost and maintenance effort, and lowered risk to build multiport embedded memories.

"We bring optimal memory performance to all cycles," said Adam Kablanian, CEO of Memoir Systems. "This approach is scalable to large memories and is not memory specific and can therefore work in any type of environment. In addition, our technology is process, node and foundry independent and integrates seamlessly into any existing SoC design flow."

The company was founded in 2009 by Sundar Iyer and Da Chuang, who both came from Cisco where they had helped optimize that company's networks. They realized the multiple port approach had a general purpose application that could be applied to the wider market. The company received $5 million in venture investment in 2009 from Lightspeed and spent the next 18 months building the platform. Joining the company in mid-2011, Kablanian helped the company find a much more scalable approach through a systemized design rather than a customized application.

Early to market, Memoir Systems only launched its first product in April and a second product in October. The company currently serves two major chip makers and works with three different partners, and is in discussions with 80 to 90 other chip entities for adoption of its product. It has two direct sales teams in the US and a global distributor, that markets the company's products to customers in Japan, China and Europe.

Kablanian doesn't expect the company's technology to be replicable anytime soon. It currently filed over 10 patents that include verification technology that is unique to the industry.

"We know we have revolutionary technology that solves a unique problem," Kablanian said. "We don't really have any left field threats from other memory technology providers."

Kablanian anticipates the company to reach the breakeven point by the end of 2013 without a need for further funding. He expects the company to earn $2 million in 2012 and to double that revenue to $4 million in 2013.

Currently focused on chip technology, Memoir Systems IP is applicable to a wide range of memory systems to broaden its market, Kablanian said. In the next five to eight years, Kablanian expects Memoir Systems to be a $50 million to $100 million company.

"The fact that we have two marquee customers that adopted our technology is a good reflection of industry approval," Kablanian said. "It's just a matter of time to package the product to make it usable to the rest of the world. Like everything else, we started slow but we are beginning to accelerate. We're changing the industry, and it's exciting to be part of this transformation."

Mobileiron

Company: Mobileiron
URL: www.mobileiron.com
CEO: Bob Tinker
Sector: Computers/Software
Country: USA
VC$: Yes

MobileIron enables the boss to say yes to the Bring-Your-Own-Device-to-Work office ecosystem. The company provides a secure platform to secure and manage mobile apps, content and devices. The company provides software to medium and large enterprises that provides mobile security, mobile management, and a private application storefront. Founded in 2007, MobileIron helped pioneer the enterprise app store and the BYOD trend, empowering businesses to take advantage of mobile devices and improve employee work flow at the end of the day.

"We are part of the industry transformation from PC-based IT to mobile IT that will be incredibly disruptive," said Bob Tinker, CEO of MobileIron. "We enable CIOs to approve BYOD policies while giving them the ability to leverage devices within a native user experience. Employees can choose the device they want, work in a secure environment, and ultimately be more productive."

The company began by listening to its customers. Upon foundation, it spent six months talking directly to test clients about their needs before even writing a line of code. In doing so, it spotted a number of trends early, including BYOD, the prevalence of multiple operating systems, and the resulting security challenges. The next 18 months were spent building the product, another year perfecting the loose ends and the last two and a half years in aggressive sales mode. Those early teaching customers became its first beta customers in the summer of 2009, and its traction has steadily grown from there.

Headquartered in Mountain View, California, the company serves over 2,000 clients, including 15 percent of the Global 2000. Its solution is available with 13 mobile operators around the world, and over 250 mobile IT bars around the world. Customers include LandSecurities, Sparrow and Needham Bank. About 40 percent of its business is outside of North America. Thanks to the explosive growth of smartphones, tablets and applications, its growth continues to snowball. Nearly 600 clients were added in the last quarter alone. In the last 12 months, the company has grown from 140 employees to over 340. Revenue has grown 400 percent year over year. The company could be profitable, but continually invests its proceeds to meet what Tinker describes as "a tornado growth market."

The company recently raised a $40 million mezzanine round, bringing its total capital to $97 million, which it used to invest in its sales efforts, R&D and product innovation. Investors include Institutional Venture Partners, Foundation Capital, Norwest Venture Partners, Sequoia Capital, and Storm Ventures.

"We constantly have to live with one foot in the consumer world, and another foot in the business community," Tinker said. "That's our specialty and why we've been able to build such a large client base."

Though Tinker looks to take the company public, he sees an IPO as merely a means to an end rather than an actual exit.

"Given the explosive growth in mobile, our goal is to build a market leading global IT company that rules this space for the long term," Tinker said.

The company made the decision to go global early in its inception, a decision that has proved to be the right one. About 60 percent of its business is in the US, with international presence on over 33 countries across the globe. Competitors include AirWatch, Wavelink, and Zenprise.

"Global makes sense as the smartphone and mobile trends are global phenomenons," Tinker said. "The most exciting part about this is we are still just at the beginning of this transformation."

As a leader in the mobile space, the company is well poised to rule the mobile market and the transformation businesses are riding as a result.

"In this era of major transformation, winners and losers will be rearranged as new market leaders are built," Tinker said. "MobileIron's goal is to be one of those leaders."

MyLife

Company: MyLife
URL: www.mylife.com
CEO: Jeff Tinsley
Sector: Internet & Services
Country: USA
VC$: Yes

Let's face it. Waking up to 17 different social networks every morning can give anyone a headache. According to Comcast, more than 40 percent of Facebook users are also widely active on another social network, not to mention any number of email addresses they check on a daily basis. A recent Harris survey of 2,000 social media users showed that 60 percent would like to connect to their social media and email in a single location.

MyLife connects your entire life in one simple hub. The MyLife dashboard takes the APIs of Facebook, Twitter, LinkedIn, Pinterest, Tumblr and email to serve all communication on a single platform. The company also provides searchable connections through a database of over 700 million searchable identities and profiles, so users can search for friends, family or colleagues through any social network. Offering a freemium model, the company charges for more extensive services such as the ability to find out who is searching for you, where personal data is stored as well as optional removal, and what people have searched for specific services, ideal for a plumber looking for clients, for example. The company also offers a paid dating service.

Like the Internet itself, MyLife has evolved with the times. The MyLife Dashboard is the most recent direction for the company, and it's proven to be its most popular. Founded in 2002, the company began as a simple search company, adding additional services over time as customers demanded them. "We've survived and thrived because of our ability to evolve," stated Jeffrey Tinsley, Founder and CEO of MyLife. Once the company was able to provide a connection to anyone on the Internet, the logical step was to give them a single place to connect, Tinsley explained. It released its Dashboard only a year ago.

Since that time, the MyLife community has grown to over 60 million registered users, half of which visit the site on a monthly basis. It adds an average of 1.5 million new users every month. Its recently released app for iOS and Android has over 300,000 users who tend to use the site more often on a daily basis, Tinsley said. About 450,000 use the company's paid services. User identity advertising is also a significant opportunity. But as Tinsley acknowledges, the company has "only scratched the surface" when it comes to monetizing its base.

Yet those limited number of users led to $77.5 million in revenues last year with 7.8 percent EBITDA profitability, a 35 percent growth over the year before.

While the company competes with Rapleaf, Wink and ZoomInfo, they are much smaller players that don't come close to MyLife's footprint, Tinsley said. That comes thanks to the company's marketing focus. In the last two years, the company has spent more than $35 million in online and offline advertising.

Based in Los Angeles, the company received a $1.73 million seed investment in 2002, plus a $25 million investment from Oak Investors in 2007.

Tinsley looks towards a multibillion dollar opportunity where everyone is a potential user. With eight patents through four key acquisitions, the company has a solid product offering, wide marketing reach and is ideally positioned to take the crown of the market.

As the Internet becomes more socially complex, there needs to be a center. Paying a high advertising dollar at just the right time, MyLife has built the user base and the ecosystem to be that hub. It is ideally positioned to lead this exploding market.

NComputing

Company: NComputing
URL: www.ncomputing.com
CEO: Raj Dhingra
Sector: Computers/Software
Country: USA
VC$: Yes

NComputing delivers desktop virtualization to make high powered computing affordable and manageable. Nearly 60 percent of its customers are schools, which use its virtualized servers to power up to 100 desktops off the same server at a fraction of the cost of a PC or laptop model. Each server powers remote clients that come with a monitor, keyboard and mouse to deliver a PC-like high computing experience.

Each desktop seat uses less than 5 watts of energy, compared to 100 to 250 watts for a typical PC, an energy savings that adds up in systems with 100 to 1,000 desktops. As up to 100 virtualized desktops can run off a single server, management of the system is much easier, and an extensive computer system can be had for a fraction of the cost of the PC approach. Plus, servers typically only need refreshing every six years, compared to the standard three years for a PC. In fact, a network of 1,000 virtualized desktops using Ncomputing's technology would save 75 in acquisition costs, 75 percent in maintenance expense, and 90 percent on energy bills compared to a traditional set up.

Based in Silicon Valley, the company works with schools and universities throughout North America, Latin America, the Middle East and Africa. Virginia's Richmond City Schools used NComputing to deliver 5,000 virtualized desktops. The system cost a third of a traditional PC approach and could still be managed by the school's limited IT staff of 12.

"Technology enables so much more from an educational perspective than has ever been possible before," said Raj Dhingra, CEO of NComputing. "It opens worlds of research and connections to students that were never accessible before."

In addition to the educational field, NComputing serves small to medium size businesses of 50 to 100 employees which often don't have a large technology budget or a large IT maintenance staff. It also serves several Fortune 1000 businesses with 1,000 or more employees.

Addressing a multibillion-dollar market, the company serves over 50,000 customers with more than 20 million users on 3.5 million desktops, and grows 30 to 40 percent annually. Over the last several years, it has added about 1 million seats of its technology per year.

Founded in 2005, the company delivered its first set of products in 2006. It continues to evolve new products every year. It recently released four new provisions, including a first generation of virtualized silicon and a software client system on chip.

The company has had $60 million in investment from Quest-Mark Partners, Menlo Ventures, Scale Venture Partners, and Daehong Technew. It could be profitable, but continues to invest in R&D and sales. Dhingra looks to take the company public or to an acquisition. He expects the company to reach several hundred billion dollars in revenue over the next several years.

The company recently signed a partnership with Citrix that gives it visibility. The market is an open road, Dhingra said. It does face competition from traditional thin client companies such as Wyse and HP, and in the education market against Userful.

"We are seeing growing momentum in this market," Dhingra said. "We offer a great compelling value proposition that's very differentiated. Our challenge is to build and scale to meet the tremendous demand in this market." RH

Nexsan

Company:	Nexsan
URL:	www.nexsan.com
CEO:	Philip Black
Sector:	Computers/Software
Country:	USA
VC$:	No

Founded in 1999, Nexsan changed the data game in the early 2000's with disk data storage, connecting a network of PC drives in what became a catalyst for the end of tape storage systems.

Today, the company strives to do the same for solid state drives, but from a hybrid approach. While solid state drives can process larger amounts of data at accelerated speeds, they can also be very expensive, and only fit the budgets of the top tier enterprises. Like a Prius hybrid battery and gasoline approach, Nexsan uses a mixture of solid state and spinning disks, backing up unchanged data onto disk while only using solid state for changing data. In doing so, Nexsan offers its hybrid data package for $1 a gigabyte, about 5 to 10 times more efficient than the industry standard of solid state, while using top tier technology that's ahead of the line, explained Philip Black, CEO of Nexsan.

"What disk did to tape, solid state will do to spinning disk," Black said. "For us, it's about being technologically advanced. We deliver the solution through a combination of hardware and software, but our real magic sauce is in the software that knows when to put the data into solid state and when to put it to disk.

"Until now, solid state has only been available for high performance data centers," Black continued. "Our technology opens the market to small to mid-size players."

The market for external disk systems is expected to reach over $18 billion by 2014, according to IDC. Over the next five years, solid state storage will be blended with over 50 percent of data systems, according to Comscore.

Since 2006, the company had been providing a solid state storage solution to resellers, who expressed a need for a more economical solution to meet smaller markets. It began developing its hybrid solution three years ago on its own IP, signing up its first customer in the third quarter of 2011. It had its first shipment of the fourth quarter of 2011, and only really began ramping up sales in the first quarter of 2011.

Today, the company serves more than 10,000 customers, operating on more than 30,000 systems, growing an average 15 percent annually.

Based in Thousand Oaks, Calif., Nexsan has had about $41 million in investment from investors that include Beechtree Capital, VantagePoint Capital Partners, and M R Investment Partners. The company currently bootstraps its growth in order to provide a better return to investors, Black explained. Employing 200 people, the company earned over $85 million in revenue last year, and has been cash flow positive since 2008.

Black admits the data game may sound dry on the surface, but the company's technology reaches some unexpected places and performs some surprising metrics. Nexsan has data systems stored underneath the New York City subway systems. Some of its systems are on board cruise ships and used to provide data on passenger rescue operations.

"This isn't just about number crunching and data centers," Black said. "We are continually surprised how our data systems are used."

And the need is not going away, but in fact continues to grow at a rapid pace, Black said. He doesn't see why the company couldn't easily reach $350 million revenues in the next 5 to 10 years. The company competes against Texas Memory Systems (acquired by IBM), Nimbus and NexGen Storage.

"Data storage is a fundamental. People continue to need more and more, and the needs are huge," Black said. "It's a market with fast technological changes, which means that smaller companies like ours can take on the giants like IBM and EMC. We can be faster at getting these technologies to market." RH

On Demand Therapeutics

Company:	On Demand Therapeutics
URL:	www.ondemandtx.com
CEO:	John Santini
Sector:	HealthCare/Pharmaceuticals
Country:	USA
VC$:	Yes

Stick a needle in your eye. That's something retinal disease patients have to do on a monthly basis. The medicine is injected through a needle directly into the eyeball to keep them from going blind. On Demand Therapeutics offers the hope that these same patients will get a monthly beam of light in the eye instead.

The San Francisco-based company is developing an eye implant about a half millimeter in diameter that contains doses of the medicine in tiny capsules. Once the device is implanted, a tiny laser shined into the eye creates a hole in the device for the medicine to escape. Instead of six to 12 needle injections per year, a patient instead has one needle injection which implants the device, and then simple quarterly laser procedures that are painless, quicker and much more cost effective. Aside from the implant, the solution uses tools that are readily available in any ophthalmologist office.

In addition to reduced pain, patients and doctors stand to save a good deal of money as well. Standard therapies for retinal disease can cost up to $20,000 per year. On Demand's approach simplifies the process through a non-invasive procedure that requires quarterly physician visits instead of monthly. The company can therefore offer the service at a price much lower than standard treatments.

The product remains in pre-clinical testing, though the company recently had a positive meeting with the FDA and is working on raising a new round of financing for clinical trials. John T. Santini, CEO of On Demand Therapeutics, expects the company to begin testing humans in the next year and a half to two years. The process will require hundreds of patients and will take about three to six years. Santini expects the product to be on the market in about five years.

Raising that new round should not be a problem, however. The company has already raised $5 million from Interwest Partners, and has a good relationship with the venture group. In fact, its roots are tied to that firm. The company began as an idea of Dr. Gil Kliman, a general partner in the firm and a retinal doc. He understood the treatment problem, and brought his own innovative concept to start the company, together with research and intellectual property already achieved by Santini. The idea had originally come from a drug implant placed under the skin that was then adapted to the eye.

The device can be used for any diseases of the eye requiring a needle injection, including wet age-related macular degeneration, diabetic macular edema, and diabetic retinopathy. Wet-AMD alone is a $3.5 billion market worldwide, according to Santini. He expects the company to take a significant portion of that market. "Once we've gotten the idea out to doctors and patients, this will easily be a billion dollar company," Santini said.

More importantly is what the solution can do for doctors and the comfort level of the patients they treat.

"The way that we treat patients today is tolerable but not sustainable," Santini said. "We can no longer have a system that requires hundreds of thousands of patients to visit their doctor on a monthly basis to get a needle in their eye. This isn't about convenience. It's necessity."

Literally a beam of light, On Demand Therapeutics' technology is well poised to revolutionize ophthalmology. A brighter future lies ahead, not only for the company but also the patients that will benefit from this breakthrough procedure.

The company competes against Colby Pharmaceutical Company and Calysta Biosystems. RH

Ontraport

Company:	Ontraport
URL:	www.ontraport.com
CEO:	Landon Ray
Sector:	Cloud Computing
Country:	USA
VC$:	Yes

Too many small business ideas end up drowning in the day to day details of getting off the ground. A creative entrepreneur must juggle website creation, email delivery, customer acquisition and a continuing host of challenges that have little to do with the idea that inspired them to go into business in the first place. Ontraport strives to make it easy with a single tool that automates much of the day to day work of running a tech company with a customizable approach that can handle just about every bump and twist in the road.

The company produces the OfficeAutoPilot, an automatized, integrated platform that takes care of every conceivable detail to running a business, customizable with the push of a mouse. The integrated, all-in-one platform can be made to do anything under the sun. Websites can be created with a couple of clicks. Lead generation can not only be automated, but customized to allow automatic follow-up, such as having a sales person call a contact that lingered on a sales page without a purchase, for example. PTO reports can be automatized. Brochure reordering can be automatically instigated when supplies run low. Functions can be added, changed or replaced on a whim. Should you have a problem, Ontraport will have tech support on the line to figure it out.

"We really create the 'build your own model' kit for small businesses," said Landon Ray, Founder and CEO of Ontraport. "We've removed all technological hurdles to running a company."

Ray has seen the challenges of launching a business first hand. He went from flower street vendor to become one of the nation's top security traders in less than a year when he was 25. As that industry lost its luster, he quit in 2001 and later helped launch an SEO company with a friend.

"I soon realized that many of the concepts of direct response marketing simply really weren't possible with the tools available," Ray said. So the company built such an approach, and Ray bought the remainder of the business from his friend and pivoted a completely new direction, founding Ontraport in 2007. Business was slow at first until key elements of the product were tweaked in 2009. "And then we went from a handful of customers to a thousand in a heartbeat," Ray remembered.

Today the company serves over 4,000 customers, growing at 100 percent per year, a pace Ray expects to pick up significantly in the next two years. Nearly a quarter of its market is international, its largest base in Australia with a sizable portion throughout Europe and some presence in South Africa. The company competes against Citrix, Parallels, and Sendibles.

The company earned $3.4 million last year, and expects to earn significantly more this year. Cash flow positive, the company continually reinvests its profits back into its growth.

And it has achieved it all with virtually no sales effort, instead relying on word of mouth. Bootstrapped, the business instead focuses on its product and customer service. But it does pay attention to its staff. Its website seems more designed to attract a quality team then sell its product, featuring beautiful scenes of the headquarters near the Santa Ynez mountain range in Santa Barbara, Ca., a place to "work where others vacation." That's key, Ray explains, as customer support is integral to the success of the company's platform.

OfficeAutoPilot simplifies the day to day details of running a small business so that ideas can mature into products and successful business plans. When you're ready to pull your hair out, Ontraport has someone on the other end of the line to talk you through the thick of it. RH

Ooyala

Company: Ooyala
URL: www.ooyala.com
CEO: Jay Fulcher
Sector: Entertainment & Media
Country: USA
VC$: Yes

As Google TV and instant Netflix can attest, online video has exploded beyond the boundaries of YouTube and cute cat videos. Online video accounted for 2 percent of all web traffic only two years ago. Today, it makes up 9 to 10 percent of all Internet consumption, and is expected to grow to 35 percent over the next two to three years.

Founded by a number of former heads of Google who helped launch YouTube to a billion dollar business, Ooyala serves up a sizable portion of video consumption, reaching more than 200 million users per month, making it one of the top 10 web properties in terms of the size of audience. The company does more than just dish it out, however. Besides serving across all browsers, screens and devices to reach very fragmented audiences, Ooyala is also powered by one of the most robust analytics engines in the industry, handling more than 2 billion analytic events per day. It can therefore uniquely target its viewers, knowing everything from what they watch to which advertising works best for each individual consumer, customizing every video feed through better curated content. As a result, its clients boost ad revenues by an average of two to three times through the empowerment of the platform.

Essentially, the company "turns the broadcast dynamic from what traditionally has been a one to many dynamic to more of a one to one dynamic," explained Jay Fulcher, CEO of Ooyala. "We are clearly the central company that has been delivering Internet content related to TV, feature length films and live events for the last five years."

Based in Silicon Valley, the company serves 1,000 customers across 30 countries, including large media companies, sizable advertisers and large service providers and SMOs. Customers include ESPN, Miramax, Bloomberg, Victoria's Secret, Rolling Stone, Dell, and Yahoo! Japan.

Its foundation is rooted in YouTube. Founders Sean Knapp, Bismarck Lepe and Belsasar Lepe joined Google as part of the YouTube acquisition, but realized the upcoming online video revolution was much bigger than that. They realized the most aggressive way to embrace the upcoming surge was to start fresh outside of Google, and launched Ooyala in 2007. From the beginning, they embraced the importance of big data, realizing that the new paradigm of video required unique personalization for each viewer.

It was an approach that worked. Ever since launching its product on the market in 2009, Ooyala has been the fastest growing company in the space with 100 percent annual growth, Fulcher said. The company differs from competitors in terms of its sheer range. It's biggest competitor is Brightcove.

The company monetizes its platform through a basic SAAS fee, plus an additional fee based on the volume of video consumed.

Having just closed a $35 million round from Telstra, the company has had $79 million in investment. Other investors include Sierra Ventures, Rembrandt Venture Partners and CID Group. Fulcher estimates the company could exceed the $100 million run rate in the next five years.

The company has achieved a wide footprint in a relatively short time frame, and the video surge has only just begun. Publishers can no longer rely on the traditional broadcast dynamic of the last 30 years. They need to embrace the web and the customized experience it can provide. Backed by detailed analytics, Ooyala can serve up that individual tailored experience where success is measured in double to triple the revenue performance. RH

Pagefreezer

Company: PageFreezer Software
URL: www.pagefreezer.com
CEO: Michael Riedyk
Sector: Communications
Country: Canada
VC$: No

Thanks to a web economy expected to double by 2016 to $4.2 trillion with over 3 billion people online, mobile data will expand 18 times its current size to the tune of 10.8 exabytes per month. Yet nearly 80 percent of that content disappears or changes within two years. At the same time, security and compliance laws such as Sarbanes Oxley, the Federal Records Act and the Federal Rules of Evidence demand that businesses keep a record of all web activities. Further, financial errors need to be systematically archived, as do copyright issues. Bloggers and other content providers also have essential archiving needs.

PageFreezer freezes the web, providing a snapshot of a website for every change that it makes. Using deduplication techniques that only capture the changed content, the company provides a complete record of the lifetime of a website.

"We can play it back and full text search it exactly as it appeared with all working links and functionalities for any given day," said Michael Riedyk, CEO of PageFreezer. "At this point, it's all about compliance and litigation, but as the web evolves, it can be used for any number of reasons to record the web for posterity."

The company is a spin-off of Riedyk's previous company, DotGov, which provided portal software for government agencies. Around 2006, the company began developing archiving technology, and spun it off into PageFreezer in 2009, marketing the solution at first primarily to governments. It soon saw interest from the private sector as well, including Salesforce which used the technology for archiving purposes.

"We found that compliance and litigation proved to be a major issue for a number of industries," Riedyk said. "While we continue to serve many government agencies, we also see a lot of traction from the pharmaceutical and food industries as well."

The company launched its platform to the market in 2011. Today, the company serves over 100 clients, mostly Fortune 500 companies and government agencies. Its packages range between $10,000 to $100,000 per year, though it does offer a more affordable rate for small companies. It recently formed reselling partnerships with NIC, the largest government vendor in North America, and Global Relay, the largest email vendor in the financial industry.

As a new technology, the company has a extended sales cycle of two to three years, as its customers tend to research the platform's capabilities before signing on board. As such, Riedyk expects the company to see rampant growth in the next year or so, perhaps even tripling its customer base and revenue as its pipeline matures. He envisions the company breaking even this year, and becoming profitable the next.

Based in West-Vancouver, Canada, the company has raised $500,000 in seed financing and to seek Series A financing sometime next year. The company competes against Hanzo Archives.

Riedyk views his company's technology as a unique solution ideal for an acquisition by a document management company in the next two to five years.

"In the end, every government agency, publisher, and website will need this type of solution. We see this growing exactly the same way as we saw email archiving grow a decade ago," Riedyk said.

The company is in an ideal place as the Internet evolves into an archiving tool. It provides a unique service that will soon be required by every website that needs to go on the record. Pagefreezer caches the evidence, one website change at a time. RH

Palantir Technologies

Company: Palantir Technologies
URL: www.palantir.com
CEO: Alex Karp
Sector: Software
Country: USA
VC$: Nondisclosed

Palantir Technologies provides a suite of software applications to integrate, visualize and analyze mass structures of data. Basing its name on the "seeing stones" in the Lord of the Rings, the company can analyze any variety of data, including structured, unstructured, relational, temporal and geospatial. It can work with huge data bases while allowing enterprises to narrow in on the details that drive their businesses. The platform is scalable and includes security and civil liberty protections.

The company was founded in 2004 by Peter Thiel, Alex Karp, Joe Lonsdale, Stephen Cohen and Nathan Gettings. Several of the founders were PayPal alumni and developed the software to detect fraudulent activity on the site. The technology was founded on the concept that computers alone could not defeat hacker adaptivity, and was developed to enable human analysts to understand complicated data from multiple sources in novel ways using Intelligence Augmentation.

It serves customers in defense, law enforcement, and financial sectors. Last August, the company donated software to the International Consortium of Professional Journalists to support a four part investigative series on the global trafficking of dead human tissue.

The CIA's venture firm In-Q-Tel invested an early $2 million in the company, as did Thiel's VC firm the Founders Fund. The company has raised at least $300 million from other investors that include Glynn Capital Management and Ulu Ventures. Last May, Forbes Magazine estimated the company's valuation at $2.5 billion.

Based in Palo Alto, the company has doubled in size every year since its inception. RH

PaySimple

Company: PaySimple
URL: www.PaySimple.com
CEO: Eric Remer
Sector: Computers/Software
Country: USA
VC$: Yes

Over half of all small businesses rank cash flow as their biggest challenge, according to Eric Remer, Founder and CEO of PaySimple. Billing and getting paid may be essential to staying in business, but it bogs down the actual process of running a business. PaySimple provides a billing and payment receivable automation system that makes business management a synch.

"A small business owner doesn't wake up in the morning craving an electronic invoice system, but they do wake up wishing they could be paid easier," said Eric Remer, Founder and CEO of PaySimple. "Electronic invoicing actually makes their lives more complex, not easier. PaySimple provides a full, end-to-end solution to bill, collect and make all payments with a single tool."

Remer first saw the opportunity for PaySimple from a previous startup he launched that helped apartment complexes with new mover guides. The company was asked to come up with an improved payment system, and in researching the problem, realized that payments were a persistent problem for all small businesses, not just landlords. Remer spun PaySimple off on its own in 2006, launching the first generation of the product after six months of R&D. He landed several customers as early as 2006 through partnerships and steadily grew the company. In two and a half years, PaySimple signed a deal with American Express, which whitelabled the company's solution under the AcceptPay platform. The move proved to be quite a validation for the company, which today holds similar partnerships with Chase, Western Union and several other large banks.

Most of its customer base, however, are small business storefronts with 10 to 20 employees, Remer said. Users include Red Creek Chapel, Develop Africa and Latino Tax Service.

About 50 percent of its clients are pure startups. In a recent customer survey, 90 percent of respondents confirmed the system had enabled them to be paid faster or save time. One client claimed to cut late payments by over 90 percent. The company's market includes roughly 19.6 million small businesses in the service-related sector.

"We provide the mom and pop shops the same technology that the Fortune 500 companies have enjoyed for years," Remer said. "We make user friendly payment systems affordable for the little guy."

Though Remer declined to state customer numbers, he allowed that the company has processed over a billion dollars in payments with a 60 percent annual growth rate for the last several years. He expects the company to double in size over the next year. In the next five years, the company could easily reach $100 million in revenue, he predicted. The company earns money through a mix of software licensing fees and transaction fees.

Based in Denver, Colo., the company has raised $28.5 million from Susquehanna Growth Equity. It operates in the US and Canada, with a planned Western European expansion as early as the next year, "though my investors might laugh at me for saying so," Remer admitted.

Its the transformation of small businesses themselves that is fueling the company's traction, Remer said.

"Small businesses are truly on the precipice of change," Remer said. "We're seeing a major monumental shift, both directly as well as from our partners."

Small businesses are more capable now than at any time in history, but payment is essential to survive. By simplifying this essential service, PaySimple is well poised to emerge as the distinct leader in the payment management space.

The company competes against PayPal, FreshBooks and Quickbooks.

Ping Identity

Company: Ping Identity
URL: www.pingidentity.com
CEO: Andre Durand
Sector: Computers/Software
Country: USA
VC$: Yes

Passwords are like keys, and each one opens a different door or service. Remembering too many passwords can become as jumbled as any custodian's key chain that weighs a ton. Ping Identity works to establish user identity so only a single password is needed to access anything on the web.

Providing cloud identity security solutions, the company establishes identity using a variety of security standards such as SAML, OpenID and OAuth. Its solution sits behind the website of major banks, ISP providers, and other conglomerates, working to verify a user's authorization so she only needs to do so once. If she logs into another website, Ping Identity automatically verifies that identity, creating a seamless experience from service to service.

"We've taken the concept of who you are and what you should have access to in context, and make it possible for that identity to be used all over the Internet," said Andre Durand, Founder and CEO of Ping Identity.

Its solutions are used by corporations, ISP providers and banks. When Bank of America, a customer of the company, decides to link its customers to additional services outside of the bank, those clients' identities are instantly verified to create a seamless experience that will more likely result in a positive sale, Durand explained.

The idea for Ping Identity began with Microsoft's Passport effort in 2001, which created a similar identity that could be used elsewhere on the Internet. Yet people were uncomfortable with the computer giant creating those standards, as it already owned most of the technological infrastructure at the time. Durand founded Ping Identity in 2002 as an alternative, and spent three to five years honing the standards of its platform. It didn't realize any significant growth until 2007, but the company's traction has been steady ever since.

Today, Ping Identity serves over 1,000 of the world's largest corporations, adding 50 to 75 per year. Customers include Comcast, Cisco, the Walt Disney Company, and OfficeMax.

Durand views his company's market as the entire IT infrastructure of the last 30 years. He sees the company's potential as a billion dollar opportunity.

"In the cloud where there's no perimeter, identity is the unifying construct that's the heart of security," Durand said. "No one has yet built a billion dollar company centered on the infrastructure and services of identity."

Ping Identity hopes to be the first. Today, the company earns revenues north of $50 million, growing at 50 percent per year. In the last 10 years, the company has grown to be the leader in the space, Durand said. In the next five years, he envisions the company to be earning $500 million.

The company is cash flow positive, but reinvests in pursuing its growth. The company has had $57 million in investment equity plus debt, with about half of that still in the bank. "We're set for capital," Durand acknowledged. Investors include Triangle Peak Partners, Silicon Valley Bank, Appian Ventures, Draper Fisher Jurvetson, General Catalyst Partners, SAP Ventures and Volition Capital

Based in Denver, Color., the company is well poised in a market environment that is ripe for growth, he added. It faces competition from Okta.

"Who would say that everything related to identity is already figured out?" Durand said. "These problems are obvious and non-trivial. Circumstantially, as one VC said, we're tilling in fertile soil."

With some of the world's most established corporations utilizing the company's platform, Ping Identity is well on its way to become the go-to solution for user identification. It strives for a simpler Internet that doesn't require 101 passwords to check ID at the door.

Playphone

Company: PlayPhone
URL: www.playphone.com
CEO: Ron Czerny
Sector: Mobile
Country: USA
VC$: Yes

PlayPhone wants the world to play together. The company strives to put the world of social games under one roof, uniting all smart devices, carriers and social networks in the same living room so that everyone can play each other, regardless of the device or the mobile provider.

The company strives to become the number one social gaming company in North America, and is already off to a good start with a user base that's doubling on a monthly basis. The company sees growth rates in a month that most startups would be happy to achieve in a year. In January of 2012, the company had 1 million monthly active users, 3 million monthly gaming sessions, and 870,000 monthly gaming hours with over 1,000 developers on board. By the end of June, its base had quadrupled to 4.1 million monthly active users, 12 million game sessions per month, and 3.5 million game play hours per month, with over 3,000 developers on board. It expects to finish this year with 20 million monthly active users, 100 million registered users and over 5,000 developers on the platform.

"The world is changing," said Ron Czerny, founder and CEO of PlayPhone. "New games that were once discovered through advertising and game reviews are now being found through friends and social networks."

The company monetizes the platform by charging a commission for any virtual goods purchased through its system. It has also created Play credits that work as a universal currency for buying virtual goods, earning commission for each credit sold.

PlayPhone's focus is primarily North America, as nearly 60 percent of mobile social gaming commerce will happen in this region. Carriers have lost about 90 percent of their gaming revenues to Apple and Google, and seek to regain that footing, most launching their own app centers. PlayPhone can help these companies retain a bigger piece of the pie as they compete against the mega giants, Czerny explained. The company counts two of the largest carriers in North America as key partners.

The company was founded in 2003 as a universal platform for social games on the feature phone, but then switched to smartphones solely as the technology grew in popularity.

Based in San Jose, Calif., the company has 100 employees. Profitable, it has already surpassed the $100 million run rate.

PlayPhone has had an undisclosed amount of investment from ScaleVenture Partners, Cardinal Venture Partners and Menlo Ventures. Czerny expects the company to grow large enough to attract its own exit by 2013, though it remains to be seen if it acts on any offer or simply continues to grow as a stand alone company, he said.

There will be competitors, especially when it comes to social gaming sessions such as Facebook and Google+. Czerny contends that there will be room for several large players, as the market is simply too big for one company to command. Nevertheless, PlayPhone strives to not only be one of the key players, but the biggest one in North America. It competes against Gree and DeNa, which admittedly have a larger base in Japan, but the company is quickly catching up with a sizable base of its own.

"The market and technology are already there," Czerny said. "We have the experience, a considerable footprint and partnered relationships with the key players. We believe our technology is the most advanced. The question is only whether the market will grow as fast as we think."

PlayPhone's sheer size and rampant growth have made it a leader in a market that has only begun to hits its growth spurt. As platforms and technologies become increasingly fragmented, PlayForce can serve as a central unifier that unites the world in games.

Puppet Labs

Company: Puppet Labs
URL: www.puppetlabs.com
CEO: Luke Kanies
Sector: Computers/Software
Country: USA
VC$: Yes

Providing cloud IT automation software, Puppet is designed to make system administrators' lives easier, not automate them into unemployment. The company's software provides businesses the scalability to quickly build infrastructures in as little as three hours that once took three months to complete. The software tells administrators every node, resource, service and change in the system, providing a level of insight that's never been possible under traditional solutions.

"IT folks go from fearing that Puppet will take away their jobs to really appreciating how the software can enable them to perform their key functions better," said Luke Kanies, Founder and CEO of Puppet Labs. "Puppet gets them out of the weeds and flashing red light situations so they can really focus on the engine of their business."

Kranies understands the IT frustration. He served as a product manager for a large corporation, and was surprised by the lack of user friendly IT management software. He and a team built a working prototype in eight months, launching an open source version at the end of 2005. Adoption was fast with a growth rate in the thousands of percentages. Within a year, the company had users all over the globe and Kanies knew he was onto something.

The company launched a commercial version of the product in 2011. Today, it serves over 350 customers and powers thousands of companies all over the world, including Twitter, Yelp, eBay, Zynga, JP Morgan Chase, Bank of America, Google, Disney, Citrix, Oracle, and Viacom. Growth has been steady at 100 to 300 percent for the last four years, a trend Kanies expects to continue throughout the foreseeable future.

Kanies spreads the idea for Puppet through events and training sessions throughout the world, 50 percent of which are outside of the US, contributing to a wide global demographic. The company earns about 70 percent of its revenue through licensing fees, while its training programs make up 30 percent.

The company competes against powerhouses such as Oracle, Cisco and IBM, but provides such a cost and time efficiency advantage over the big guys that it's only real competition comes from businesses that use no software management service at all, Kanies explained.

"We offer an easy way to scale and a keen insight into all their IT structure," Kanies said. "Once they realize what is possible, the solution pretty much sells itself."

Based in Portland, Ore., the company has had just under $16 million in investment from Kleiner Perkins Caufield & Byers, True Ventures, Radar Partners, Emerson St. Partners, VMware, Google Ventures, and Cisco. Kanies said the company now has all it needs to launch its trajectory. Not focused on exit, the only thing Kanies knows for sure is that he's building Puppet to be a long-term independent company.

The company is an enabler of the very technology that's driving businesses today. It sits in a sweet spot, no matter the economic outlook of the world ahead. Its simple yet empowered approach can help revolutionize the way companies do business.

"We are seeing the biggest infrastructure boom since the dot com days of the 90s, and we offer the best product to facilitate that growth," Kanies said.

Pure Storage

Company: Pure Storage
URL: www.purestorage.com
CEO: Scott Dietzen
Sector: Hardware
Country: USA
VC$: Yes

As companies like Facebook and Google turn to flash storage solutions for greater agility, price is a sobering reality. Solid state storage typically costs four times as much as mechanical disk. At the same time, mechanical disk is too hampered down by Newton's laws to keep up with Moore's law. While effective mechanical storage is possible, its lifetime is limited due to its mechanical nature. Pure Storage, however, can deliver solid state flash storage for a price less than mechanical disk, while increasing the power, efficiency and speed by 10x. And while many flash storage solutions require software changes to work, Pure Storage is plug-in compatible.

The company leverages data reduction, deduplication and compression to shrink the footprint of the data storage on flash, effectively delivering 10 times the data at 10 times the speed for a tenth of the energy needed.

"Mechanical disk CPUs actually work slower than tape did 15 years ago, creating a profound mismatch between ability and need," said Scott Dietzen, CEO of Pure Storage. "We enable an affordable solid state solution."

Pure Storage serves tech companies, analytics companies, and financial services entities. A financial analytics client once had a daily data set that took 20 hours to load using mechanical disks, plus another three to four hours to analyze. Pure Storage's solid state approach dropped that load time to two hours, and analyzed the data in 15 minutes, all for a lower price than mechanical disk.

Gartner has pegged the solid state storage market at $4 billion globally. Dietzen actually views the entire $15 billion mechanical disk market as the company's target.

"In the next ten years, every data center in the world will be using solely flash storage," Dietzen said. "We've removed the price barrier. We hope to be a key part of that revolution."

Based in Mountain View, Calif., the company was founded in 2009 by John Colgrove, one of the founding engineers at VERITAS. Colgrove was one of the few people in the world who could deliver this kind of technology, Dietzen said. Following sale of that company to Symantec in 2005, Colgrove decided to concentrate on the problem of solid state storage. He developed the IP in about a year and half, launching a pilot program through a partnership community within six months. So far, the company has shipped over 100 systems.

The company is certainly not short of funding, having just raised a $40 million round to help fuel its European expansion. That puts its total capital at $95 million, most of which is still in the bank. Investors include Index Venture, Greylock Partners, Redpoint Ventures and Sutter Hill Ventures.

Dietzen has already declined M&A offers, which he acknowledges would make a nice consolation prize, but he plans to continue to build momentum as a stand-alone, independent company to truly rule this market.

The company has fun with old technology. Conference rooms are regularly named after extinct approaches such as the 8-Track room or the Sextant conference center, named after a favored tool of Sir Isaac Newton. The staff even took a white data cabinet and replaced the insides with a refrigerator to store the office beer supply.

For a technology 10 times faster yet cheaper than mechanical disk, Pure Storage's value proposition is a no brainer. The company faces one of the biggest opportunities in the enterprise tech space today.

It competes against XtremIO, which was acquired by EMC.

QuantiSense

Company:	QuantiSense
URL:	www.quantisense.com
CEO:	Jeff Buck
Sector:	Software
Country:	USA
VC$:	Yes

QuantiSense provides out-of-the-box business intelligence analytic resources for enterprise retail companies. The QuantiSense Retail BI Foundation product is a packaged application that helps retailers extract and store data centrally and historically in a data warehouse and features a host of pre-built BI components that allow retailers to get their data in an ad-hoc investigative way, build reports and analyze in an ad hoc fashion to support business initiatives. The tool comes with a set of prebuilt ports and databases to support all operational reporting and standard reporting a retailer needs to run the business. It allows businesses to understand what drives the business from a product standpoint, from a channel perspective and on the individual store level.

The QuantiSense Decision Orchestration Platform then combines the resulting retail business intelligence and analytics into a role-based, actionable and repeatable process to optimize business. The tools help stores avoid stockouts, boost sales and margins, improve inventory productivity and optimize channel collaboration.

QuantiSense offers a "buy versus build scenario with a high quality product that can be up and running less than 60 days," said Jeff Buck, CEO of QuantiSense. "In a retail world where there is a great need to understand how the customer interacts with a product at the local store level all the way up through the complexities of extended channels, there is a tremendous opportunity to apply smart analytics to the manual processes retail stores do to stay in business. We can improve the way things are done by an order of magnitude."

The company was founded in the difficult economic climate of 2001. Buck launched the company mostly because no such solution existed in the marketplace that provided retailers with business intelligence analytics and a complete playbook. The company spent a year and a half building the platform before landing its first customer in November of 2002. It continually modifies the platform according to customer feedback, releasing new lines of code about every three months. Adoption was fast with double digit growth rates since the beginning.

Today, QuantiSense serves 31 large retail customers, including the Gap, Guitar Center, and Men's Warehouse. Over the last few years, it has realized 110 percent growth rates.

The company earns revenue from a licensing fee for the software, plus service and maintenance fees. It earned just under $20 million this year, and expects to earn $30 million to $50 million in the next three to five years.

The company has raised venture investment that is less than 15 percent of the company's equity. It is looking to raise another $15 million round to further grow the business.

Though the company could seek an IPO when it reaches an appropriate revenue, Buck expects to be acquired by a larger player first. Whether it does so as a public company or through an acquirer, Buck anticipates QuantiSense to eventually be earning hundreds of millions of dollars.

The company competes against Retail Analytics and Revolutionary Decisions.

Radisphere

Company:	Radisphere
URL:	www.radispheregroup.com
CEO:	Scott Seidelmann
Sector:	HealthCare/Pharmaceuticals
Country:	USA
VC$:	Yes

Representing 7.5 percent of the total spend of the healthcare industry, the radiology market weighs in at $175 billion per year. Most of that is done by local mom and pop shops serving regional hospitals. This puts a premium price for rare specialists serving local markets, as well as time delays in processing the tests and limited service hours as the services are not typically 24 hours. Radisphere strives to revolutionize the radiology market by offering those same services in the cloud, providing specialty radiology services by a remote radiologist to any hospital anywhere 24/7. And it does so at roughly 40 percent of the cost of traditional radiology, thanks to a more efficient approach. .

"We are bringing a dramatic change that totally creates a new paradigm," said Scott Seidelmann, CEO of Radisphere. "Every town has a group of radiologists, good doctors doing quality work, but they are limited by the old model. We can provide a higher quality of service at a better scale, driving throughput up to provide better services at a much lower cost to every hospital in the country."

TOP 100: AMERICAS

For example, there are fewer than 1,000 neuroradiologists in the US. Radisphere can provide any rural hospital in the country instant access to that kind of specialization any time of the day or night. 100 percent of its MRIs are read by subspecialists. About 2 percent of the company's volume is double bind red with an error rate of less than .8 percent, compared to the national average of 6 percent. Its average turnaround time is less than 3 hours, compared to the national average of 15 hours. The company performs a consultation on average in less than five minutes, and reports critical findings in less than 30 minutes 98 percent of the time.

The company was cofounded by Dr. Frank Seidelmann, Mr. Seidelmann's father. Previously, Dr. Seidelmann co-founded a hospital and outpatient imaging center based radiology group that was acquired by Med Partners and later became Team Health. The father and son duo together previously founded RIS Logic that was acquired by Merge Healthcare in 2003. Dr. Seidelmann recognized that the industry required a new model that could be more efficient while providing local hospitals a better quality of service on a 24/7 basis. He co-founded Radisphere in 2002 with Dr. Peter Franklin, and the two spent five years building the technology and designing the approach before signing their first hospital in 2007, at which point Mr. Seidelmann came on as CEO.

The company serves 100 facilities throughout the country, including 35 large hospital systems in about 15 states. Most of its base has been established in the last three years with steady growth, Mr. Seidelmann said. Yet there still remains more than 6,000 hospitals in the US, as well as 1,000 ambulatory centers that could benefit from Radisphere's approach, so the market is wide open.

"It's a very large opportunity, and we've penetrated very little of it so far," Mr. Seidelmann said.

Headquartered in Cleveland, Ohio, the company today employs 150 physicians, and has grown 40 percent year over year. Mr. Seidelmann expects to triple the size of the company within the next five years. It has raised $80 million in venture investment from Oak Investment Partners. Its only real competition remains the smaller radiology shops that don't offer the same scale, Mr. Seidelmann stated.

Mr. Seidelmann estimates the company's realistic addressable market is around $4 to5 billion per year, and has only begun to tap the well.

"We're seeing really strong demand from clients as well as partners," Mr. Seidelmann said. "The metrics clearly show we can bring a measurable impact to care delivery. We've been pushing on the fly wheel, and it's beginning to spin."

Redpine Signals

RED HERRING GLOBAL 100 WINNER

Company:	Redpine Signals
URL:	www.redpinesignals.com
CEO:	Venkat Mattela
Sector:	Semiconductor
Country:	USA
VC$:	No

Thanks to its unique chipset protocol, Redpine Signals firmly believes in the notion that high performance can also mean low energy. Boosting data rates up to 1.3Gbps using 3-Spatial Stream 802.11ac MCS-9 (256-QAM), the company's advanced wireless technology allows for high performance at efficiency 10 times the industry standard, opening the gates for the next generation in wireless applications.

Founded in 2001, the company began specializing in wireless long before it was ubiquitous.

"We realized the convergence of all wireless technology on one monolithic IC was key to the future of mobile technology," remembered Venkat Mattela, Redpine Signals CEO. "We started this concept of converging multiple wireless technologies onto one die in 2002, but still today we have a long ways to go."

Featuring some of the most efficiently optimized power in the chip industry, the company's legacy has been a long time in coming. Redpine was the first to launch a single stream 802.11n chipset in late 2007, which it licensed to a large mobile player that same year for integration into a mobile combo chip. As that chipset at the time lacked the required integration with Bluetooth, the company developed modules/sub-systems based on the same chipset that enabled wireless monitoring and control of utility metering systems for the M2M market, which provides its bread and butter as it waits for its latest technologies to reach new markets.

Thanks to research and development efforts in the hundreds of millions of dollars, the company recently announced a new chipset called Quali-Fi which addresses the mainstream smartphone and tablet markets. The company is already shipping the product for small niche markets like VoWiFi phone for Ascom, but expects to really strike silicon gold in the next year or two.

"This strategy is the one which resembles the mainstream fabless model to go after bigger markets and bigger players," Mattela said. "We have been doing R&D and product development for this all along, and we see 2013 as our breakout year for this strategy to unfold."

Serving over 1,300 customers in the M2M space, the company earned $10 million in revenue last year. Thanks to its new capabilities in the smartphone and tablet worlds, the company expects to more than quintuple that to $50 million in revenue next year, and aspires to cross the $100 million threshold in the next five years.

"Our patents offer the highest technology with a low power edge compared to anyone else in the industry," Mattela said. "That's our biggest value add that allows us to go after these biggest players. It is unheard of for a company of our size with no venture money to accomplish such a feat."

And the company can produce new chipsets for the industry within six months to a year, so the end of the rainbow is within reach, Mattela said. He envisions this to become a billion dollar company. That's quite a long way to take a company Mattela cofounded with his wife, Kalpana Atluri, the company's president who is also an engineer and greatly contributed to the technology.

"With this kind of money and this wide array of patents, we can pretty much achieve anything we want in the wireless space," Mattela said. "That's what keeps me energetic every day. I used to worry, but no more. My biggest challenge now is how to meet the tremendous demand for this technology."

Based in San Jose, Calif., the company has no outside investment, though Mattela has invested his own funds to build the technology. The company competes against other chip manufacturers such as Intel, Broadcom, and Silicon Integrated Systems.

Redseal Networks

Company: RedSeal Networks
URL: www.redsealnetworks.com
CEO: Parveen Jain
Sector: Computers/Software
Country: USA
VC$: Yes

Nearly every new RedSeal Networks client that deploys its platform to test network security architecture and controls has discovered significant network security flaws that have left an open door to risk, according to the company's CEO Parveen Jain. "Nobody's clean, yet most companies don't even know they're dirty."

The company identifies IT risks throughout a client's enterprise network, across all devices such as firewalls, routers and load balancers while providing a comprehensive analysis of the customer's overall security. RedSeal's platform delivers network security intelligence by telling its customers whether or not they are complying with government and company policy requirements, as well as measuring their protection against malware and fraud. By automating the process, its software can thoroughly scan the entire network of a large enterprise within minutes, rather than days or months. Cisco, a RedSeal Networks client, once spent multiple quarters auditing its network of 30 to 40 thousand devices. Using the RedSeal Networks platform, the company can now do the same work in a couple of hours.

"Networks are constantly changing," Jain said. "Even if your network was compliant yesterday, it may not be today. We help our customers constantly monitor their networks end-to-end and show them precisely what is changing and potentially introducing risk into their infrastructure. With our patented risk heat map, we also help customers pinpoint network security weaknesses, prioritize their remediation and mitigation efforts and maximize their return on existing security technology investments."

The network monitoring market is growing well into the billions in part driven by the U.S. Department of Homeland Security program to provide continuous monitoring capabilities to civilian, non-intelligence agencies in the federal government. DHS will deploy sensors to agencies generating the needed 60 to 80 billion vulnerability and configuration setting checks every one to three days across the entire .gov network. The need for such monitoring is critical as cyber-attacks against the government mount. In 2011, the federal government responded to more than 106,000 attacks including cyber attacks that injected viruses, stole information and disrupted federal network operations. It's exactly this kind of market that drove Jain out of retirement to lead the company. "The sky is the limit," he said.

The company targets large commercial and critical infrastructure enterprises along with federal agencies. RedSeal currently has over 220 customers, including large enterprises such as Boeing, Cisco, McAfee, Oracle, NASDAQ, USB, SONY, and In-Q-Tel. Much of RedSeal's market disruption stems from the fact that its platform insights and services are unmatched.

"We've found no real competition that can scale and meet customers' needs," Jain said. "We uniquely provide the industry's most effective, end-to-end proactive network security management solution that helps our customers eliminate cyber risks before an attack occurs. The RedSeal platform provides a nearly real-time assessment of a company's security posture that enables cost-effective, automated continuous monitoring and compliance."

Based in Santa Clara, Calif., the company has received over $10 million in investment from Venrock, OVP Venture Partners, Sutter Hill Ventures, JAFCO Ventures and Leapfrog Ventures. It competes against Athena Security.

RedSeal has arrived at just the right time, well ahead of the game in an industry that grows with critical importance every time a hacker makes new headlines.

Retailigence

Company: Retailigence
URL: www.retailigence.com
CEO: Jeremy Geiger
Sector: Mobile
Country: USA
VC$: Yes

Forrester estimates that nearly 40 percent of all retail store shopping begins online with consumer research. Providing an app platform that pairs real time location against the inventory of local stores, Retailigence tells those customers exactly where to buy that product locally, connecting the online world to the offline storefront by instantly aligning local store inventory to the mobile phone.

"Anyone can create an app, but not everybody can integrate a network to the inventory management of the local store to tell where exactly to buy that product," said Jeremy Geiger, CEO of Retailigence. "We do the heavy lifting and make local product listings available through a simple API that developers can integrate into their apps."

Retailigence serves the staggering $1 trillion online to offline marketing space, predicted by Forrester to grow 50 percent annually. That's about seven times bigger than the entire ecommerce market, Geiger pointed out. The company's interface is used by about 10 to 20 percent of all retail stores in the US with an audience of over 20 million users that is quickly growing. It's a space that requires constant innovation, as mobile marketing proves to be far trickier than simply creating a mini-version of a web page. By connecting inventory lists of local stores to a user's location, Retailigence takes a unique approach that cannot be easily replicated by the competition, Geiger argued. There's plenty of room for growth, and little threat from competitors.

"It's very difficult to connect a wide arrange of stores with their point of sale and inventory lists," Geiger said. "We have a unique combination of people with an enterprise software and supply chain background as well as people in the local and mobile space. We have great barriers to entry."

The app is free to users. The company earns a commission from the sales it delivers to storefronts.

Inspired by watching people scan barcodes with their mobile phones to look up product details, Geiger founded Retailigence in 2009, figuring if people could research products that way, why not provide them a list of stores that carry the product from a mobile platform? His engineering team built the platform in a year, and launched the product at Under the Radar, the innovation showcase and business development conference in Silicon Valley, winning the Top Choice award. Retailigence received seed funding from Dave McClure, and then raised $4.3 million in Series A from DFJ and Quest Ventures at the end of 2011.

Earning revenue through each lead made on an app that uses its API, the company's main focus is the US and Japan, with some traction in Mexico, Canada and the UK. The business is based in Redwood City, Calif. It faces competition from Milo, NearbyNow, and Krillion.

The market has barely been tapped as the stores themselves are only waking up to the potential, Geiger said. Retailigence serves several large retailers that each generate $1 billion through online to offline channels, yet most retail chains have yet to tap the well. Retailigence offers a unique but simple solution that fits into place at just the right time.

Return Path

Company: Return Path
URL: www.returnpath.net
CEO: Matt Blumberg
Sector: Computers/Software
Country: USA
VC$: Yes

Facing virtually no competition, Return Path's technology touches over 2.2 billion email boxes with 70 percent global coverage. The company has established data flows with hundreds of ISPs around the world, including the biggest names such as Gmail, Hotmail and Yahoo. It uses that information to deliver solutions that solve the nagging problems of email- mainly spam confusion and email address certification. With spam accounting for 95 percent of all emails, Return Path works to detect phishing and spoofing campaigns, and alerts them to ISP providers to stop the spammers dead in their tracks. It then works with publishers, marketers and web service providers to certify which addresses can safely make it past spam filters, ensuring that valid emails from companies such as Facebook, Netflix and Groupon reach their destination and don't end up in the spam bin.

"We think we have put together the broadest and deepest database of email activity, behavior and reputation across the Internet," said Matt Blumberg, Co-founder and CEO of Return Path. "Older than the web, email runs its own protocol and the problems which plagued it in the beginning have only gotten worse. Our solutions are designed to ultimately eliminate these irritations from the ecosystem to make email a more useful way to communicate."

Roughly 5 to 7 trillion of all emails are legitimate. Return Path touches roughly a trillion of those emails. The company managed 90 percent email certification for Groupon, resulting in a 180:1 return on investment.

Putting the company's growth into perspective, its employees have grown from 100 four years ago to over 400 today. It earned $10 to 15 million in revenue four years ago, and today records over $60 million. Its customer base growth has been in line with its revenue growth, Blumberg said.

"We are inventing this market as we grow," Blumberg said. "We are easily going after an opportunity north of a billion dollars." The company's sheer size gives it a great barrier to entry, Blumberg explained, as its networked system is years ahead of any potential competition.

Founded in 1999 originally as a consumer facing business, the company switched to spam protection and email certification approach in 2003. Its first customer was eBay, which approached the company in 1999 and eventually inspired its pivot. Blumberg had previously worked for MovieFone doing email marketing in the early '90s, and was well aware of the pitfalls of email. After landing eBay, he decided to refocus the company as a solutions provider to the problems of email, and the company has been steadily growing ever since. It reached the break-even point in 2009, and has since reinvested in its growth to keep up with the market expansion.

The company has had $46 million in investment from Union Square Ventures, Mobius Venture Capital, Sutter Hill Ventures and Western Technology Investments. It is being built to eventually go public, most likely after 2013. Blumberg expects Return Path to be earning several hundred million dollars in revenue within the next several years as it builds up its customer base.

"We've invested more than 10 years into building a unique business model that is hard to replicate, and it's really starting to pay dividends," Blumberg said. "We've got a great geographic and product footprint, as well as a healthy revenue base and balance sheet. We're well positioned to grow this into a sizable entity that is pretty much its own market."

The company faces competition from Yesmail and VerticalResponse.

Revionics

Company: Revionics
URL: www.revionics.com
CEO: Marc Hafner
Sector: Cloud Computing
Country: USA
VC$: Yes

When it comes down to it, optimizing revenue means setting the right price. But in an ecommerce age where instant comparative shopping is only a mobile phone away, stores need to balance price against demand nearly on a day to day basis. Brick and mortar stores may need to adjust their prices weekly, not every few months, while ecommerce sites might even need to set price by the hour. To do so they need to be able to measure demand, in real-time, according to store location and a slew of other factors, from the time of year to the weather to even a recent win from the home sports team.

Revionics' predictive analysis tool empowers retailers with the real-time data they need to set competitive prices. The company takes years of data related to weather events, stock outages, and other sales metrics to help companies determine price and inventory requirements. It enables stores to set the right price at each store, the right allocation, and even how much sales space to allow for each item to optimize sales. A full extensive class rating can be done in weeks or months rather than years.

"We transform an industry that largely still tackles this problem with Excel spreadsheets and guts," said Marc Hafner, CEO of Revionics. "We give them the insights and tools to do more pragmatic pricing, providing answers within seconds rather than months of research."

Such an approach delivers a 10 to 12x rate of return annually for its customers. Its a strategy that Founder Jeffrey Smith realized worked with his previous company, KhiMetrics, which helped create the retail price optimization industry as an enterprise solution. The company was acquired later by SAP. Smith decided to launch Revionics in 2002 along the same idea but for small to mid-size businesses. Today, he serves as Vice-president of Corporate Development and Strategy.

It took two years to build the first model of the platform, which now has had 10 years of R&D. In the last three years, the company has grown to also include tier one enterprises. Customers include Family Dollar, Nash Finch Company, and Van's IGA Markets. Despite its small size, it serves more customers than any company in the price optimization space, including Oracle and SAP, Hafner said. It has had a 69 percent compound annual growth rate for the last three years.

Headquartered in Roseville, Calif., the company's market is primarily North America, but recently launched offshore to Asia and plans to soon enter South America and Europe. It has seen considerable growth potential in Asia and Australia, mostly because this kind of technology is less prevalent overseas, explained Hafner.

The company has had $12.5 million in investment from CR Ventures, Bloomberg Ventures, and a number of angel investors. It earns revenue north of $25 million. Hafner strives to take the business public in the next two to three years.

"We are changing the retail industry," Hafner said. "It's all about getting that one to one shopper connection. Our pipeline continues to get bigger, and we've only begun our international expansion."

The company competes against Zilliant. RH

Rimini Street

Company:	Rimini Street
URL:	www.riministreet.com
CEO:	Seth Ravin
Sector:	IT Consulting & Services
Country:	USA
VC$:	Yes

Large software providers typically yield 80 to 90 percent gross margins on software support, according to Rimini Street's CEO Seth Ravin. Those same providers do not provide on-call customer service, or allow for customization of the platform. Rimini Street, however, offers 24/7 support and complete customization at nearly half the price. The company simply takes a smaller cut at a 50 percent profit margin, while providing a superior package of services.

"We're just not as greedy as the big guys, so we're able to operate on a lower margin but still earn a good, solid profit," Ravin said. "We're able to throw in more services and do a more efficient job because of our people and the model we offer."

The company is big on customer service, with an average 3.5 minute response time to customer calls on a 24/7 basis. "Companies like Oracle and SAP can take hours, days or weeks to respond to a call, if at all," Ravin said. Those same companies also don't support customization of their software, meaning if you change it, it is your problem, despite the fact that most sizable companies will alter their packages to meet their business needs, according to Ravin. Rimini Street throws in such support as part of the package at no extra charge.

"That's huge because companies can spend millions of dollars alone supporting their customization in addition to what they pay the vendor," Ravin said. Between the 50 percent savings and the fully customized support, customers easily save millions of dollars a year just by switching to Rimini Street, Ravin added.

It is a well-developed business model that Ravin spotted ahead of its time while working as vice-president of sales for PeopleSoft in the '90s. He witnessed the amount of money customers were spending on software support, and also noticed that more companies were keeping their software packages longer, and therefore needed greater services.

"I wanted to enable the equivalent in the software industry of people driving their cars longer to get greater value from them," Ravin said. "Today, we're the leaders in our field, and the only company that does third party software support exclusively. We are clearly running in a whole new market."

Ravin founded the company in 2005, and landed its first customer in 2006. Today, Rimini Street serves over 500 customers, including 56 of the Fortune 500, and 14 of the Global 100. Clients include Pittsburgh Public Schools, the SFN Group, and Pegasus Solutions. Most of its base centers in the US, with a strong segment in Europe and a growing selection of Asia. In fact, the company provides software upgrades to Germany's entire post office system.

Growth has been a steady 30 percent, which Ravin expects to continue for the next several years. The company expects to earn $44 million in revenue in 2012, and reach $100 million by 2015. In fact, its biggest problem is not sales, but keeping up with its growth, Ravin explained. The company plans an IPO in 2013, which should provide ample funding to fuel that expansion and further increase the growth rate, Ravin explained.

With the software management space worth $140 billion today, the company's future burns bright. The company holds patent pending technology with over 20 patents coming down the pipes, so any potential competitor has already been left in the technological dust. Rimini Street's value proposition is simple, yet it can save customers millions of dollars. Such efficient metrics should make the company a dominant competitor in the marketplace.

Based in Las Vegas, the company has received equity investment from Adams Street. It competes against SAP and Oracle. RH

RingRevenue

Company:	RingRevenue
URL:	www.ringrevenue.com
CEO:	Jason Spievak
Sector:	Software
Country:	USA
VC$:	Yes

Despite the age of the Internet, the old fashioned telephone remains the key sales ringer for most sales businesses. That's because sales calls generate 30 to 50 percent conversion rates, compared to online clicks that generate 1 to 3 percent. Plus, sales calls deliver twice the order value of a click, especially for big ticket items. The catch is that the average price of a sales call is $7, no matter the interest of the caller. How do stores reach those callers that have the greatest sales potential, and not the casual browser?

RingRevenue uses analytics to identify which consumers are quality leads, ensuring that calls with the most sales potential go directly to the call center. The company uses tracking and attribution to construct a profile of the caller in milliseconds, based on such factors as call history, geography, time of day, repeat call behavior and other dynamics. The company provides an easy to use end-to-end platform to manage call-based campaigns and optimize high quality calls, as well as manage direct media buys on a performance basis. It also provides data on what advertising sources those calls are coming from.

"RingRevenue is the Omniture plus Google Analytics for phone calls," said Jason Speivak, CEO of RingRevenue. "We weed out the weak from the chaff, and make sure the highest quality of calls reach the contact center."

As a result, RingRevenue delivers conversion rates of 20 percent, compared to 3.8 percent for paid search campaigns and 1.7 percent for email campaigns. The company works with over 100 leading advertising networks such as Google and ValueClick, and Fortune 5000 companies such as Liberty Mutual and Enova Financial. More than 5,000 advertisers and 35,000 media partners are on the platform, with a churn rate of less than 1 percent per month. The company recently released its Inbound Call Tracking application that quickly became the highest rated and most popular app in the HubSpot App Marketplace.

Such traction has helped the company triple its revenues each of the last two years. It also helps that the company faces little competition with a technology that would be nearly impossible to replicate, Speivak said. The company is primarily in the US with some presence in the UK, and is in talks to expand to Western Europe.

RingRevenue had grown even faster than its predecessor, CallWave, a company Speivak also founded that grew to over $100 million in revenue in five years and went public to deliver a 25x return to its investors. Following that exit, Speivak adopted pretty much the entire startup team of CallWave to launch RingRevenue in 2008. Before writing a line of code, the company talked to businesses about their call center needs to get the IP right. With test bed customers on board before the product was even developed, RingRevenue launched out of beta in the first quarter of 2009, and offered a fully commercial label in early 2010.

Headquartered in Santa Barbara, Calif., the company has had $7.5 million in investment from GRP Partners and Rincon Venture Partners. It faces competition from Marchex and AT&T's Ingenio. Like CallWave, Speivak plans to take RingRevenue to an IPO, likely in the next couple of years.

As the cost of telecom has dropped, the company's addressable base grows by hundreds of millions of people per year globally, which drives 10s of billions of new phone calls, Speivak explained.

"Mobile search is driving a tremendous surge in mobile phone calls from consumers to advertisers," Speivak said. "There is really no set of campaign management tools out there like ours." RH

SalesPortal

Company:	SalesPortal
URL:	www.salesportal.com
CEO:	Saurabh Khetrapal
Sector:	Cloud Computing
Country:	USA
VC$:	Yes

In an age where mobile advertising encourages customer phone calls, contact centers are far from dead. Yet the call center is one of a company's biggest expenses. Contrary to popular assumption, 90 percent of calls are actually someone seeking additional help making a purchase, not a disgruntled shopper, according to a CFI Group Contact Center Satisfaction Index. In fact, roughly 77 percent of online consumers seek more live help, while 52 percent of consumers abandon online shopping efforts because they can't get the assistance they need.

SalesPortal transforms call centers from revenue eaters into cash generators. The company provides the first pay per call ad network that connects contact centers with marketers to discover and monetize phone leads. Its platform essentially offers customers analytics-driven suggestions on additional services. It works similarly to the way an airline will suggest car rentals or hotel services when booking a flight. The difference is that rather than a single long term contract, SalesPortal provides an entire network of marketers that each bid for the highest phone lead to deliver greater value to the call center. Its network can suggest a broader selection of relevant products without the need for extensive business development to establish the partnership.

Sign up for contact centers is free, while marketers pay for each lead generated, with SalesPortal splitting a percentage for each lead with the call center.

"We create a Google type of experience over the phone," said Saurabh Khetrapal, Co-founder and CEO of SalesPortal. "In the same way that Google uses keywords to connect to the most relevant advertising with the highest bid amount, we connect various metrics to suggest the most relevant service. We're the only company doing this, and if we execute well, we can dominate this market."

The company is well on its way. It recently received a patent for its technology after emerging from stealth mode in late 2010. It first concentrated on small to medium size businesses before targeting its focus on larger enterprises in the second quarter of 2012. In a little over 18 months, it has grown over 600 clients, including 20 to 25 large enterprises with another 50 to 60 in the sales pipeline. Its market base includes the home services, travel, automotive and publishing industries, with two or three of the largest players in those fields on the platform. It earns on average $6 million to $15 million for each client. Customers include Dish Network, Paychex, and Sensa.

With a large portion of its base in the US, the company launched to India in March of 2012 and recently landed in Canada. It plans to soon expand to China, Japan, Europe and Latin America.

Khetrapal has invested $1 million of his own seed in the company. The company also raised $4 million in Series A from ATA Ventures, Correlation Ventures and Point B Capital. It will likely seek a Series B for expansion purposes over the next several months.

Khetrapal expects the company to reach $100 million in revenue in the next three to four years. Potentially, he sees a billion dollar opportunity. Claiming to be the first and only pay-per-call exchange, SalesPortal faces little competition.

"With a silver bullet, we solve two massive problems: CMOs are constantly looking for new customer acquisition channels, while operations and finance people fret with the cost issue for content centers," Khetrapal said. "By fixing both, our platform is absolutely game changing and earth shattering. The question is only how fast we can execute on this massive opportunity." RH

ScaleXtreme

Company:	ScaleXtreme
URL:	www.scalextreme.com
CEO:	Nand Mulchandani
Sector:	Cloud Computing
Country:	USA
VC$:	Yes

To get an idea of the efficiency of ScaleXtreme's next generation of monitoring and systems management, it helps to compare their costs to the big guys. EMC typically charges about a $1,500 monthly server license. ScaleXtreme offers a similar package for $10 per month. Plus, the company can get a complete system up and running within minutes, no matter how complicated the ecosystem. Using the old way, launching a DMC took six months to a year. ScaleXtreme can have the entire thing running within 15 minutes.

The company leverages the cloud to make monitoring and systems management not only affordable, but user friendly. Its platform enables complete control of a company's systems with an easy to use interface from any iPad, no complicated VPNs required. ScaleXtreme effectively democratizes systems management, allowing full system control without the technical know-how.

"If only the high priests of IT can read systems management, you end up with clusters of multiple operations people struggling to get a handle of their IT equipment," said Nand Mulchandani, Co-founder and CEO of ScaleXtreme. "You go to the website, create an account, and it's instantly managed. Our cloud delivers mobility that can instantly be accessed from anywhere."

The company was founded by Balaji Srinivasa, who previously launched Bladelogic that went public in 2005 was later acquired by BMC Software for $800 million. He left Bladelogic in 2005 and spent the next four and half years building the platform for ScaleXtreme. When Mulchandani and Srinivasa launched ScaleXtreme in 2010, they leveraged five solid years of R&D that Srinivasa had already established. " Balaji was only one of about 10 people in the world who could build this," Mulchandani said. "It really gave us a head start against the rest of the industry."

The company worked with several trial customers under the radar before first hitting the market in late 2011. Adoption was slow, but then accelerated as the company improved the usability of the platform, Mulchandani said.

"It was really a question of how to make it easy," Mulchandani said. "We started with high end functionality, and then added a series of automation monitoring. As we made the system easier to use, the adoption rate really sped up."

The company serves the $6 billion systems management and data center automation market, roughly $2.5 billion of which fall directly in its segment, Mulchandani said. Because of the affordability of the system, more small and medium size businesses are potential customers. Alexander Haislip, ScaleXtreme's director of marketing, likened it to how Mint.com disrupted Quicken by offering an affordable solution to personal finance management.

"The only places that needed these 15 years ago were the big companies that were going to buy expensive systems management software solutions," Haislip said. "Virtualization and the cloud made that software necessary for a much wider user base. We offered simple modules they could use right out of the box that provided high quality management immediately."

Less than a year on the market, the company has about 2,000 customers using the product with what Mulchandani characterized as a dramatic growth rate. Clients include Google, Rackspace, and VM Ware.

Based in San Mateo, California, the company has 25 employees and has raised $13 million from Accel and Ignition Partners. Its competitors include BMC and IBM/Tivoli.

"We are closing the gap between Google and the average company with automation tools," Mulchandani said. "We are literally one of two or three companies that have the IP and the ability to do this. The future is so bright we don't need to worry about the size of the market. We simply need to focus on getting that user experience just right to really realize a tremendous growth potential." RH

Scality

Company: Scality
URL: www.scality.com
CEO: Jerome Lecat
Sector: Software
Country: USA
VC$: Yes

Storage needs grow at the pace of the clock. Every email, info point and essentially every second adds more data to the mass, forcing many companies to turn to bigger cloud players like Amazon and HP that can grow with the company. The trouble is that enterprises that could benefit from the economy of scale of their sheer size cannot typically afford to host their own storage system that can deliver the reliability and speed they need.

Scality provides reliable and backed up storage for roughly 2 cents GB/per month, less than half the cost of larger cloud players like Amazon, making a high performance private cloud an affordable reality. Using multiple components and peer to peer addressing algorithms, the company's RING Organic solution provides an unsurpassed cost of ownership while delivering a performance that's flexible and reliable. The platform distributes the data across multiple references so there is no single point of failure. Not relying on any single component, the system provides an automated, self-healing architecture that is highly resilient.

Using multiple end points means the data center never needs to go offline. In fact, one of its first customers, Telenet, signed on in July of 2010, has never stopped its system in the last three years, despite multiplying its capacity more than 10 times. "Every hard drive will fail at some point, but we move the data around based on drive functionality so we create a system that is extremely autonomous," explained Jerome Lecat, CEO of Scality.

Its low cost approach that also delivers high speed and performance creates a disruption for the private cloud, particularly when it comes to backup, video and file sharing, media archive, healthcare, genomics and geophysics. It is also ideal for public clouds, SaaS applications such as web mail, and Web 2.0 services.

Focusing on large contracts of at least a $500,000, the company serves more than 30 customers, including Time Warner. The company holds strategic alliances with Intel, Cisco SGI, Dell, HP, IBM, and also partners with cloud players such as Panzura, StorSimple, Twinstrata, CTera, Mezeo, Noomadesk. It serves customers in the US, Europe and Japan, with about 50 percent of its revenues from overseas.

The company is an offshoot of Bizanga, an email management provider that served large telecom companies. The founders learned that their clients' most vital and immediate need was scalable high performance storage, and began building the platform in 2008. After Bizanga was acquired by Cloudmark, the founders launched Scality in 2009, developing its own IP over the course of a year before signing its first customer. Today, R&D is still about 40 percent of its sales. Scality has been awarded two patents with another five being considered.

The company has had $15 million investment from Crédit Agricole Private Equity, Galileo Partners, and Idinvest Partners. It has 45 employees. It faces competition from NetApp, EMC, and Seagate.

Scality serves the object based storage market, expected to grow to $2 billion by 2020. In the next five years, Lecat expects the company to capture roughly 40 percent of that market to earn $400 million in revenue. The company currently grows at 120 percent per year. Lecat also expects the company to release similar technology related to external distributed databases that could eventually be a billion dollar opportunity.

"If the past is any indicator of the future, we're quite bullish," Lecat admitted. Indeed, they have a right to be. Scality stands to revamp the notion of an affordable private cloud with a cost effective approach to reliable high performance that never misses a beat. RH

ScienceLogic

RED HERRING GLOBAL 100 WINNER

Company: ScienceLogic
URL: www.sciencelogic.com
CEO: John Becker
Sector: Software
Country: USA
VC$: Yes

As the IT landscape undergoes immense transformation, the management of the data centers that power that change becomes increasingly complex. Getting the biggest bang for the technological buck requires system optimization that can only be achieved through a granular visibility of the analytics. ScienceLogic simplifies the delivery of IT services by providing user friendly predictive data into every device and application managed on a data center. The platform either automatizes proactive solutions to predicted patterns or alerts IT staff to which issues to focus resources and efforts in order to achieve the greatest efficiency, performance and cost savings throughout the data center network.

"Smarter IT ultimately equals more efficiency," explained David Link, Co-founder and CEO of ScienceLogic. "There's an economic engine behind better data center management. With scale comes complexity, and you can't use age-old approaches. You need a detailed tool that can keep up with the dynamics of change within the system."

The mission of ScienceLogic is one that Link has spent the last 17 years prepping for. With more than 20 years' experience in the IT management industry, Link began his career in the early days of CompuServe. He then went on to perform software development for IBM, and then Interliant, serving as senior vice president and a corporate officer. Those years left him longing for a simple solution to the complete management of a data center, rather than having to rely on the industry standard grab-bag of tools. Together with Richard Chart and Christopher Cordraye, Link founded ScienceLogic as a single source solution with many applications. The company spent a year building the core platform before landing its first customer, Martins Point Health Care, a business that today remains a client.

Such strong customer commitment is pretty common, Link said. Many of its customers have been with the company since it launched to market seven years ago. That kind of commitment led the company to profitability in its first year, and enabled it to win the Deloitte Technology Fast 500 two years in a row.

Today, the company serves over 200 customers with a 67 percent compound annual growth rate that has continued to accelerate, particularly in the last couple of years. Nearly 65 percent of the customers are service providers such as hosting companies, telecoms or IAAS businesses. The company also serves more than 50 agencies in the federal government, from the military to the Health Department. Its base includes enterprise companies such as Gannet, USA Today, C-Span and News Corp. Its competitors include HP, Computer Associates, and IBM.

The company has realized robust global growth as well, tripling its international sales in the last two years. It has strong footholds in Europe, South Africa, Australia, New Zealand, South Korea and Japan.

Headquartered in Reston, Va., the company has received $30 million in investment from NEA and Intel. It continues to be profitable at a 75 to 85 percent margin. Link expects the company to be earning $100 million in revenue in the next three to four years. Considering the $18 billion to $20 billion spent annually on IT management, Link predicts the company faces a billion dollar plus opportunity.

"With change comes chaos, and with that chaos, opportunity," Link said. "With the advent of cloud computing, people realize they have to do things differently. We ride ahead of the curve with a solution that provides the other side to that change." RH

SendGrid

Company:	SendGrid
URL:	www.sendgrid.com
CEO:	Jim Franklin
Sector:	Computers/Software
Country:	USA
VC$:	Yes

The Internet has come a long way, yet email remains king as killer apps and services like Netflix, Facebook, and Pinterest continue to rely on it as a primary way of communicating with their users. In fact, the use of nearly 50 percent of all web applications triggers an email alert. Yet many of these transactional emails get snagged in the iron gates of SPAM filters, tossed away with the baldness cures and weight loss ads. On average, 20 percent of transactional email never makes it to their destination. Specializing in transactional email delivery, SendGrid ensures notification emails make it to their target destinations, ultimately improving retention along with the profits of their clients.

SendGrid uses a variety of technological approaches and email best practices to narrow its clients failure rate for notifications down to 6 percent. These include reputation monitoring, ISP monitoring and deliverability outreach, feedback loops, dedicated IP addresses and validation techniques. That reliability drastically reduces the headaches of its customers, explained Jim Franklin, CEO of SendGrid.

"Any time the email system breaks, it becomes a complete rat hole for them," Franklin said. "We free them from email worries so they can instead focus on their unique service or value and succeed as a company."

Since its foundation in 2009, SendGrid has delivered over 45 billion emails, including 20 billion in 2012 alone. On average, the company transmits over 90,000 emails per minute.

The company offers a freemium model, with the first 40,000 emails per month at no charge, and then charging a certain percentage as a business gains mass. Indeed, many of its clients such as Rockmelt, Pandora, and Booking.com started with SendGrid in their early gestation periods of gaining customers. The company currently serves over 60,000 clients, adding 20,000 just in the first six months of 2012 alone. The company has grown its by 50 percent in the last several months, and improved its employee headcount by 70 percent.

The company has come a long way from the late night side project begun over 10 years ago when founders Isaac Saldana, Tim Jenkins, and Jose Lopez studied together at the University of California Riverside. After launching three companies, the trio decided to focus its next project on email, and turned to the home-grown, open source system they had developed in their spare time while in school. They then moved from Southern California to Boulder, Colo. to participate in TechStars, David Cohen's startup accelerator. The company built its core platform in six months and landed its first round of funding from Mark Solon of Highway 12 Ventures. So far, the company has received $27 million in venture funding from investors that include Bessemer Venture Partners, Foundry Group, SoftTechVC, 500 Startups and Bullet Time Ventures.

With Amazon offering its SES (Simple Email Service), SendGrid invests heavily in its growth to go toe to toe against the giants. Yet the company continues to be at least 18 months ahead of even its largest competitors, Franklin said.

Expecting to soon earn revenue of $100 million thanks to robust growth, the company plans to go public in the next two years.

The sheer size of its footprint and robust growth have made it a formidable force against competitors. Like many of its early start-up customers that have since grown to become Internet titans, SendGrid is well on its way to becoming a deeply entrenched player by ensuring each email makes it to its inbox. RH

ServiceMesh

Company: ServiceMesh
URL: www.servicemesh.com
CEO: Eric Pulier
Sector: Computers/Software
Country: USA
VC$: Yes

With increasing pressure for enterprise IT organizations to become more responsive to their business unit customers, IT has been forced to search for new technologies and operating models to remain relevant. Many companies are now evaluating and adopting cloud-based IT operating models to improve their IT agility and effectively align fluctuating business demand to self-service, on-demand cloud IT services. ServiceMesh is helping large enterprises embark on this journey and accelerate the economic and agility benefits of this new cloud operating model with their cloud management platform, called the Agility Platform.

A key tenant of cloud operating models is fully governed, service-service catalogs of IT services that leverage a combination of private and public clouds, that are secure, fully governed, and cost-transparent. Sometimes referred to as "IT-as-a-Service", this model depends upon a unified control point for security, governance, and lifecycle management across a diverse portfolio of cloud-based infrastructure, platforms, and applications that are needed by the business.

ServiceMesh Agility Platform is an enterprise-ready, cloud management platform that delivers policy-driven governance, security, and lifecycle management to enable "IT-as-a-Service". The Agility Platform is a unified platform with extensible policy-based controls that allow enterprises to accelerate the adoption of cloud services across the organisation and speed the delivery of business applications safely into the cloud with complete governance and control.

"Forward thinking CIOs see this "IT-as-a-Service" model as a necessity for the future of IT." says Eric Pulier, CEO of ServiceMesh.

Enterprise customers have begun realising the strategic benefits of this new cloud-based IT operating model. This includes compressing the cycle time to get new business applications to market, deferring or eliminating capital expense for new data center expansion, and rapidly penetrating new geographic markets by leveraging public cloud providers to deliver needed IT services to the enterprise rather than building new data centers locally.

For example, one ServiceMesh customer was facing an upcoming $300M investment in data center capacity to support existing operating demands, and was consuming approximately 50 percent of their total IT budget on basic infrastructure and simply "keeping the lights on". In addition, software development teams were hamstrung with delays of up to 127 days to provision the platforms they needed to start new projects.

By using ServiceMesh's Agility Platform, the customer incrementally transformed the IT organization and implemented a standardized, self-service, on-demand portfolio of IT services that has completely changed IT's cost structure and role in the organization. Innovation spending now accounts for 74 percent of the IT budget without incurring an overall IT budget increase, service provisioning times have been reduced by 78 percent to 97 percent, and data center expansion plans have been deferred and replaced by the availability of new private and public cloud services. IT is now developing more innovative products and services, and facilitating expansion into new emerging markets that would not have been possible before.

"These results are typical for our customers." says Eric Pulier. "We continue to see dramatic efficiency gains and cost savings with customers adopting our technology to fuel their "IT-as-a-Service" transformation. It's phenomenal, like the web disruption in the 90's."

Pulier first had the vision for ServiceMesh while launching SOA Software, a provider of comprehensive governance automation tools. He saw the upcoming transition to the cloud, and realized that governance would prove to be a formidable obstacle for enterprises. He spent three years building the Agility Platform while working with a select group of charter customers in stealth mode, keeping a low profile as the market matured. Only in the last year did ServiceMesh seek VC funding for expansion, receiving $15 million from Ignition Partners to fuel those efforts. RH

Silver Tail Systems

Company: Silver Tail Systems
URL: www.silvertailsystems.com
CEO: Timothy Eades
Sector: Security
Country: USA
VC$: Yes

The co-founders of Silver Tail Systems learned a lot about cyber security in the trenches of eBay and PayPal. Chief visionary Laura Mather spent three years in fraud and phishing prevention at eBay, while CTO Mike Eynon managed payment risk at PayPal and worked as a trust and safety engineer at eBay. They found it difficult to keep pace or even stay ahead of the cyber criminals in a world where online money transactions had become the new IOU. To stay ahead of the thieves, the founders learned they had to spot them at the very first click.

Silver Tail Systems collects and analyzes massive amounts of real time data related to every click that happens on a website. The company uses that data to create models around the normal use of a website, both from the perspective of the general population as well as the individual user. Assuming that most of a site's traffic is legitimate, the company then spots behavior anomalies to identify instances of cybercrime, immediately alerting the victimized website in order to stop the criminals in their tracks.

A recent report with Forrester focused on one Silver Tail Systems customer that saved millions of dollars with the company's solution. Hit by a denial of services attack, the client would normally have deployed an entire team to address the issue in a process that would take weeks. Instead, Silver Tail had the issue resolved within a few hours, saving resources and man hours.

"We provide real-time visibility into how people use websites," Mather said. "There's an amazing security component, but also valuable visibility on the marketing side into what web servers are being hit. We enable understanding from those web sessions into numerous capacities that's never been possible before for our clients."

Founded in 2008, the company spent its first year raising its Series A, and another building its platform before landing ING Direct as its first client in 2010. Adoption proved fast once the company concentrated on its marketing efforts. Today, the company serves some of the largest enterprises in the world including MasterCard, StubHub and the US government. The company experienced rapid growth particularly in the first half of 2012, propelling it to add 70 employees to its team over the next several months.

Focused mostly on the US, the company recently launched an office in London, as financial services in the UK are often the first targets of new cyber schemes, Mather explained. With a global cyber security market of $10 billion, the company aims to snatch up as much of that sphere as possible.

Silver Tail Systems competes against such security players as RSA, Actimize, and Trusteer, but none provide the granular level of web system visibility its technology is able to provide, Mather said.

Based in Menlo Park, Calif., the company has had $22.1 million in investment from Andreesen Horowitz, Leapfrog Ventures, Searph Group, Startup Capital Ventures and Citigroup. Those investors saw their exit last Halloween as EMC acquired Silver Tail Systems on undisclosed terms. Silver Tail Systems will continue to operate as an independent entity.

A major portion of the company's potential comes from its scalability, Mather said. Whereas most startups build a product and then figure out how to scale it, Silver Tail Systems focused on scalability from day one. The company's fourth install handled 330,000 clicks per second.

"We built this technology to be big from the beginning," Mather said. "The platform is solid, and the market is exploding. We're the only ones in this space, and we're doing everything to put as much space between us and the next competition as we possibly can." RH

Skyfire

Company:	Skyfire
URL:	www.skyfire.com
CEO:	Jeffrey Glueck
Sector:	Mobile
Country:	USA
VC$:	Yes

Spurred by the mobile video revolution, the amount of data downloaded over wireless networks is expected to explode 3,500 percent between 2011 to 2015, according to a Cisco 2011 report. Wireless operators spend $150 billion per year to help meet that capacity, of which video alone will make 72 percent by 2015. Skyfire alleviates wireless networks by sending data on overloaded cell towers to the cloud through advance parallel cloud computing technology. The company's technology can identify across wireless networks which cell towers are overloaded and congested, and reroute the traffic through a cloud computing center when needed. By doing so, the company can save wireless providers 60 percent of the bandwidth of typical video. As video currently makes up half of all wireless data, its technology essentially saves wireless providers 30 percent of their overall bandwidth, adding up to billions of dollars in savings through technological efficiency. Its software can transmit over 100 GB per second.

"Skyfire proves that you can have your cake and eat it too," said Jeff Glueck, CEO of Skyfire. "You can have data savings through intelligent network management as well as a quality user experience. We prove that the cloud can work."

The company's motto is "Don't throttle me, bro," referring to the throttling policies of many providers that cap data limits, pushing users to slower speeds when a certain capacity is reached, even in the face of "unlimited data" plans.

Launched to market only 18 months ago, Skyfire counts two major tier one customers-AT&T and Verizon, the latter of which is also an investor in the company with an $8 million round last January. Those two clients in turn serve over 200 million customers with Skyfire's technology. The company is currently in talks with a number of additional major wireless carriers.

Those two clients have allowed the company to enjoy double digits of millions of dollars in revenue, growing at 100 percent over last year. Glueck expects the company to be earning $100 million in revenue over the next few years.

Founded in 2007 long before video was a phone company's concern, Skyfire took two years to develop its technology, launching it first as a commercial app to prove its viability. On the first day of the app's availability on Android and iOS, over 200,000 people downloaded the service, overrunning the company's servers and essentially selling out the app due to overloaded networks. When the app had to be taken down from Apple's store, Glueck had to make appearances on CNN to explain that yes, you really can sell out on an app, and this was not a case of Apple muscling the company out of a best selling product. The app proved to be the best selling iPad app in 2011 with over 15 million downloads.

The company has had $40 million in venture investment from Panorama Capital, Matrix Partners, Trinity Ventures, Verizon Ventures and Lightspeed Venture Partners. It broke even last year.

Glueck isn't concerned with left field threats. He estimates Skyfire stands at least two years ahead in the technology in a space that expands with the force of a quasar. The company competes against Bitstream.

"Skyfire is by far the most advanced solution to cope with the problem of the coming meltdown of the mobile network from the rising tide of data hungry apps and video," Glueck said. "We're in a really great position in a critical market." RH

Softlayer Technologies

RED HERRING GLOBAL 100 WINNER

Company:	SoftLayer Technologies
URL:	www.softlayer.com
CEO:	Lance Crosby
Sector:	Internet & Services
Country:	USA
VC$:	Yes

Offering on-demand global cloud computing, Softlayer is considered among the big three, right up there with Amazon and Rackspace, according to Softlayer's CEO Lance Crosby. What set the company apart, however, are its 2,000 APIs and wide distribution of databases scattered throughout the world. Comparatively, Amazon works with 60 APIs, while Rackspace works with 20, Crosby said. Softlayer's biggest advantage over its competition is scale with over 100,000 physical machines deployed. The company runs 13 data centers across the globe, the majority in the US with presence in Amsterdam as well as Singapore.

The company provides anything from the traditional bare metal servers to virtualized servers to multi-tenant cloud infrastructures and everything between, delivering data in real time with no downtime. Bare metal servers can be backed up in two hours or less, virtualized servers in 45 minutes or less and multi-tenant clouds in two minutes or less, with firewall and load delivery in real time.

The company launched in 2005 as a cloud solution before they knew it was even called cloud. The idea came from Crosby's experiences working as COO for The Planet, a hosting company. He noticed customers requesting custom installations requiring brand name hardware such as HP, IBM and Dell, and realized there had to be a better approach.

"It was just crazy having to adapt the platform for each hardware brand," Crosby said. "Why not just build a common platform that could be purchased and launched in less than two hours? We decided to remove the name brand from the complexity of the infrastructure. We decided to build a common platform and turn it into a service, rather than build each as a one-off solution."

The company spent six months designing its platform before signing its first customer in January of 2006, and earned $4 million in revenue that first year. Its second year grew to $20 million. Growth has been a steady annual 35 percent. Today, the company serves 25,000 customers and expects to earn $400 million this year. The company is profitable by a wide margin. "It's been a fast trajectory over the last seven years," Crosby stated. "Our goal is to be a billion dollar company by 2015."

Many of its customers include iPhone and Android app developers, who build their products and then integrate their API for easier integration and usability without maintaining a traditional control panel, Crosby said.

Based in Dallas, Texas, the company started off a $5 million investment of seed funding from Crosby and a number of angels which got it through the first five years. In 2010, GI Partners, the private equity firm, purchased 2/3 of the company for $450 million. The business competes against Oracle, simpleCDN, and GCR & Associates.

The company plans to further solidify its position by expanding its reach with data centers in South America, most likely Brazil, as well as Canada.

The plan is to take the company to an IPO, Crosby admitted. "We really look at the world right now as a land grab," Crosby said. "There are a lot of opportunities, and everyone in this space is growing heavily.

"Our advantage is size and scale," Crosby continued. "I think we have the most complete broad product offering on the market, and it's really helped us solidify our position."

Solidfire

Company: SolidFire
URL: www.solidfire.com
CEO: Dave Wright
Sector: Computers/Software
Country: USA
VC$: Yes

SolidFire debuts one of the first solid state storage systems that is 100 percent flash-based, no spinning disks whatsoever. Its technology enables speeds 20 to 30 times faster than the industry standard at a quarter of the power for a cost per gigabyte that's comparable to traditional SANS.

SolidFire effectively guarantees any amount of cloud storage at a guaranteed high performance standard, stated Dave Wright, Founder and CEO of SolidFire.

"We enable our clients and their customers to move more applications into cloud environments that previously had to be run on dedicated, very expensive environments because of the performance requirements of those applications," Wright said. "Now they can take those same applications, move them into a multi-tenant or private cloud, but still get that guaranteed level of performance."

While building Rackspace's cloud platform in 2008, Wright saw firsthand the challenges of cloud based storage in a large environment that enterprise-based storage systems failed to solve. He decided to come up with a solid state solution, and founded SolidFire in 2009. Spending the next two years in development, SolidFire released a stealth mode product to a little over 12 trial clients in 2011. The trial period not only showed the speed and efficiency of SolidFire's technology, but also proved that solid state could make mass enterprise systems in the cloud a reality, Wright said.

"Our system is more than just about being better, cheaper, faster," Wright said. "There are some fundamental capabilities we have in the quality of service we do with the API-based management that just makes us a better suited application for these cloud environments."

Though the company is only getting to market, Wright reports that demand for the product is strong and the company has a solid sales pipeline.

The company has $37 million of venture investment, well ahead of what it needs, Wright indicated. Investors include NEA, Valhalla Partners, and Novak Biddle.

Founded in 2010, SolidFire moved to Boulder, Co. in 2011, not only for the mountain life but to exist in a community with a history in storage solutions, Wright explained. "It's really been an attractive place to launch a company," Wright said. "Not only is the search for talent less competitive, but it's easy to convince them to stay out here as well."

Considering its technology sits at the center of both solid state and cloud storage, SolidFire is in an excellent place to command a serious stake. The company competes against Nimble Storage, TMS, and Violin Memory.

"The adoption of cloud is growing amazingly fast," Wright said. "We really are riding two fantastic waves. This market is really going to be led by solid state, and we're perfectly positioned to provide it to the world."

Solver

Company: Solver
URL: www.solverusa.com
CEO: Nils Rasmussen
Sector: Software
Country: USA
VC$: No

Business intelligence typically requires a team of IT specialists to make any sense of the data. Even predicting revenues can take weeks of research from a range of specialists. Translating massively complicated data into understandable key points, Solver makes it simple. The company produces a self-serve business intelligence suite that simplifies the application so that anyone can understand, manage and execute it without a single call to the IT staff. The company effectively democratizes business intelligence by putting the controls and understanding of the data in the hands of the executives no matter their IT or tech specialty.

The company's platform fits the entire range of ERPs, and is a number of years ahead of competitors on its integration with Microsoft Excel. Solver can create a revenue forecast for its clients in as little as a few minutes. Data can be compiled from a variety of sources with a simple drag and drop method into any document.

"With Solver's solutions, you no longer need IT people or consultants to create reports, do analysis, or do budget modeling," said Nils Rasmussen, Founder and CEO of Solver. "Our system is easy enough that normal people can do the job without the help of an expert. It connects many different types of data together quickly and succinctly."

Founded in 1996, Solver has been in the business intelligence space for some time, acting as a consulting firm for a variety of industries. From talking to customers, the company realized there was a missing hole in the market for self-serve, affordable IT solutions. It spent three years developing its BI-360 suite, borrowing on the 13 years of industry expertise the company had gained from its consulting days. "That was critical to the development of our software," Rasmussen remembered. "We knew what we wanted in the software, and we knew we needed to sell the solution through local resellers."

After developing the product, the first year and a half was spent on marketing with 30 customers landed in the first year. Customer interest exploded shortly after that development period, and the company landed a few hundred partners that acted as resellers. Today, Solver is closely approaching 1,000 customers with about a 50 percent growth rate year over year.

The company's market is focused on the US, but about half of its clients are international, with traction throughout Europe and Asia. Solver released a Chinese version of its product in September.

The company plans to soon release a social offering of its product that "will work like the Facebook of business intelligence," Rasmussen said. If that effort proves successful, Rasmussen envisions that Solver could reach $100 million in revenue in the next five years. Profitable since the '90s, the company has continually reinvested in its core product from its revenue streams and has no outside investment.

By democratizing business IT for the common executive, Solver paves new roads in business intelligence. It self-serve solutions completely disrupt what has traditionally been an industry of technical specialists. The company fills a space that has been overlooked for far too long.

Sonatype

Company: Sonatype
URL: www.sonatype.com
CEO: Wayne Jackson
Sector: Computers/Software
Country: USA
VC$: Yes

The seeds of Sonatype began in 2002 when founder Jason van Zyl created the Apache Maven build management system and Central Repository. In the process, he launched the dependency model of developer coding. The system created a central language that allowed various components to work together so that one component could be placed upon another without rewriting the code from the ground up. Today, the Central Repository holds the largest library in the Java community with over 400,000 different components. It is used by 3 to 4 million Java developers, roughly half the development community, and receives over 7.5 billion requests per year.

Those figures propelled CEO Wayne Jackson and CMO Charles Gold to realize that Sonatype had something special when they came to the company in 2008. They transitioned the company from purely a development tool provider to a user friendly manager of the complete life cycle management of open sourced apps. Sonatype launched Nexan in 2010 to companies with their own internal repository and management solutions. Considering that nearly 80 percent of modern app development comes from outside an organization, managing those add-ons in a user friendly application is essential, both to the apps themselves as well as the integrity of the organization, Gold said.

"When organizations develop applications these days, it's a bit like assembling an automobile," Gold said. "It's a very complex construction that relies on numerous external resources. Our mission is to help companies manage that complexity in a simple and elegant way, empowering companies to build better software faster."

Buttoning up that complexity protects the organization from data breaches and downed apps. And with the average bank launching 2 billion applications per year, there are plenty of snaps to fasten. The company faces a custom software market worth $86 billion per year. It competes against App47 and Apperian.

Nexan includes both an open source and a commercial version. About 500 customers use the commercial version, while over 18,000 organizations use the free version, Gold said.

"We've have a massive reach into the open source development tools that people already use," Gold said. "The repository is free, but the information services we built are an overlay that provides a monetization path for us that are delivered through our tools."

Though Gold declined to state specific revenue figures, he noted that the company recently raised a $25 million round from NEA and Accel. The Maryland-based company's take is certainly large enough to attract the big funds. The company's total investment is $36 million. The plan is to take the company public, though no timeline has been established.

Though it's only started out of the gates, Gold estimates that Sonatype could easily be a billion dollar opportunity.

"We solve a big problem that's a very common problem," Gold said. "Because of our tremendous footprint in the open source community, we offer something that is truly special. The size of the problem is huge, and we can solve it on a massive scale. That puts us in a unique position."

Sumo Logic

Company: Sumo Logic
URL: www.sumologic.com
CEO: Vance Loiselle
Sector: Computers/Software
Country: USA
VC$: Yes

Big data is the sumo wrestler in the room. Sumo Logic can pin him to the mat.

The company claims to be the first and only enterprise class cloud based service that can scale to multiple terabytes of log data per day. Some of its large clients like Netflix have gone from 10GB per day to hundreds of GB in a matter of minutes, yet all of its customers enjoy zero operational overhead because the technology is delivered as a cloud service. Sumo Logic does more than just scale big data, but makes it understandable as well. Its Log Reduce tool categorizes mass sums of data into distinct packages to make it easier to decipher, essentially taking 100,000 alerts and reducing them by 100 to 1,000 times to provide more relevant results to users.

"We are finally taking IT teams out of the dark ages of analytics that have traditionally been done in a cumbersome and painful way," said Kumar Saurabh, Co-Founder & VP Analytics for Sumo Logic. "Our clients send us raw data, and with no effort on their part, they have all data delivered to their fingertips with a proactive feed of alerts and much more conclusive insights."

And the company does it all in real time, providing complete analytics within minutes as oppose to the current industry standard of hours or even days.

Sumo Logic was founded in 2010 by Saurabh and Christian Beedgen, who both worked at ArcSight, the security information company acquired by HP. As Amazon launched its cloud data center services, the two recognized that big data was ripe for

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disruption through an SAAS solution in the cloud. The company then spent two and half years building the first log analytics system in a fully distributed fashion that allowed the underlying structure to be very elastic. From the beginning, the company focused on real time, as its customers needed fast answers from mass amounts of data instantly.

Based in Mountain View, Calif., the company launched in beta with about five to 10 clients as it honed its technology. It only launched to market mid-way through 2012. Most of its customers are small to medium size businesses, though a surprising number of large enterprises began joining in April.

"This space has a lot of headroom," Saurabh said. "You look at what these customers are asking for, and the existing solutions don't even come close."

Today, the company serves 50 to 55 customers, including Case Western University, Formspring, and Limelight Networks. It has seen its base grow 5 to 6x in its first two quarters on the market. It sells mainly to the US, but has global distribution through several international customers.

The company has raised $20.5 million so far, including a $5.5 million Series A from Greylock and Shlomo Kramer, and a $15 million Series B from Sutter Hill Ventures. The company competes against Splunk.

Saurabh definitely looks towards the space as a multi-billion opportunity, considering that both ArcSight and Splunk were each billion dollar companies that grew to revenues of hundreds of millions of dollars every year. Saurabh estimates the market today to be as big as $4 billion, and is set to double in the next three to four years.

The company rides two major trends- cloud and big data, and stands to transform both with a scalable, cost-effective approach that provides understandable answers to very complex questions.

"We are perfectly poised to capitalize on those to build a markedly better product that is easy and much more cost effective at the same time," Saurabh said. RH

Talenthouse

Company:	Talenthouse
URL:	www.talenthouse.com
CEO:	Roman Scharf
Sector:	Entertainment & Media
Country:	USA
VC$:	Yes

Facebook may be where the world hangs out, but who pays any attention to its ads? Artists, on the other hand, potentially have access to sizable audiences on social media sites like Facebook, Twitter, and Pinterest, but still sleep on their friends couches and bum money for the bus.

Talenthouse serves both artists and advertisers through ad campaigns that deliver brands into the nuances of conversations on social media. The company has crowdsourced artwork for the likes of Lady Gaga and Paul McCartney, helped crowdsource a cover of Rolling Stone, and helped crowdsource the design of a water bottle that reached 200,000 designers. Talenthouse's community of 1.6 million artists has a net social reach of 600 million people on Facebook, Twitter and other social networks.

"Brands and advertisers need to connect their influence to become part of the conversation of popular culture while artists need ways to monetize their art in a world where content has become less lucrative," said Roman Scharf, CEO of Talenthouse. "The trick is how do you make the BMW driven by Tom Cruise in Mission Impossible not an overt ad that gets rejected by the audience? We help weave a brand into the social conversation in a way that is natural and gets talked about."

The company delivers a brand in two ways. Brands can host a project in their own name, crowdsourcing art that is then shared throughout the participating artists' social networks to spread the name. SIGG Bottle typically spends upwards of $50,000 to design a water bottle. It crowdsourced a design through Talenthouse and reached 200,000 designers, selling more than 25,000 water bottles than typical launches. Another way is to have a major artists or venues sponsor projects. The South by Southwest music festival sponsored a project that included 40,000 bands. Nikon launched one of its most successful social media campaigns through Talenthouse, Scharf said. Lady Gaga directed a music video using Talenthouse's artist community.

The company was founded in 2008 by Amos Pizzey, a musician turned promoter who had worked with the likes of Madonna, U2 and the Red Hot Chile Peppers. He worked for Global Urban Media in 2007 when an all girl band suddenly found itself without a drummer. They advertised for auditions through MySpace, and received a stunning response not only from every female aspiring drummer fan but their aunt and grandma too. Pizzey realized the power of social media in making brands a part of the conversation, and left to form Talenthouse. Scharf began as a seed investor before joining the company as CEO in 2009. The company first centered on MySpace, and then transitioned to Facebook and Twitter as MySpace waned in popularity.

Based in Palo Alto, Calif., the company has received $15.1 million in funding from director and film producer Brett Ratner, Jean Piggozzi, Estée Lauder chairman William Lauder, Eric Schmidt's Innovation Endeavors, and 3TS Cisco Growth Fund.

The company charges 50 cents per social media engagement, which it counts as a like, share, comment or repost, sharing a portion with the artists. It only began monetizing its platform in May, but has seen promising results, Scharf stated.

MySpace co-founder Chris DeWolfe sits on the company's board as an adviser. At its height in 2008, MySpace earned $250 million per year collaborating with fewer than 100 top artists, using a very

laborious, agency-like approach, Scharf said. Doing it across a wider community in a more automated fashion could likely result in a $6.5 billion market, Scharf estimated.

"We are creating great value for all constituents, and we face no direct threat," Scharf said. "This business can be bigger and more meaningful than any traditional advertising approach." RH

Tecplot

Company:	Tecplot
URL:	www.tecplot.com
CEO:	Rich Stillman
Sector:	Software
Country:	USA
VC$:	No

Tecplot helps engineers easily manage, visualize and understand complex data generated by one, tens or thousands of simulation cases, allowing them to design products with greater speed and confidence. Its visualization software tools provide insight and understanding into data mechanisms, critical in problem solving and design optimization.

Founded in 1981, the company's 30 years of leadership in the visualization field has culminated in Tecplot Chorus, a software solution that is revolutionizing the way computational fluid dynamics work is being done. The tool unites physics visualization with data management and analytics to help engineers manage and analyze collections of computational fluid dynamic simulations. An engineer using Tecplot Chorus can evaluate overall system performance and visually compare tens or thousands of simulation cases in a single environment. Unlike trial and error or analysis by hand, Tecplot's numerical models can be modified quickly to verify hypotheses or evaluate a matrix of parametric design changes. It enables fast, accurate simulation yielding extensive design information at an economical price.

The company's software services have contributed to a number of scientific breakthroughs. Researchers at University of Kiel, Germany created less invasive ways of tracking dolphins for long-term behavioral research. Researchers at the University of California, Irvine developed safer, more innovative bioprosthetic heart valves to save lives and help prevent side effects such as blood clots and heart attacks. Engineers from Toyota Motorsports optimized their automotive designs to dramatically improve a vehicle's performance for both racing and commercial purposes. Scientists at MIT shed new light on century-old issues in the identification of slow separation.

The company has over 37,000 active licensed seats from over 3,600 corporate customers, including the University of Colorado, the Innovative Technology Applications Company, and the University of California.

The company generates most of its revenue from new license sales and annual maintenance fees for ongoing technical support and software upgrades. It also provides consulting services and custom training. It uses a direct sales model in the U.S. and Canada, and a network of distributors for international sales. Its products are are well-established throughout Europe and in some Asian countries like Japan. It has immediate plans to expand more aggressively into Asian countries like China and India, and into new markets in South America. About 30 to 40 percent of its revenues come from abroad.

The company was co-founded by Kelton (Mike) Peery, who has over 30 years of technical and managerial experience in software development, and Don Roberts. Perry developed and applied advanced Navier-Stokes flow analysis simulation codes for analyzing flows in gas turbine engine exhaust nozzles and over engine nacelles. He has published several technical papers based on his work in CFD algorithm development and applications. He started Tecplot in 1981 under the name Amtec Engineering, and headed the initial development of Tecplot 360 software, the company's flagship product, which is presently used by over 45,000 engineers and scientists worldwide for analyzing and presenting data from CFD calculations. The company continues to invest 25 percent of its expenses in R&D.

The company faces an estimated market of over $2 billion. Its revenues are currently under $10 million with excellent growth prospects over the next three to five years. It expects to be earning $30 million by 2015. Self-funded, the company has been consistently profitable since its inception. It has 43 employees.

Tecplot competes against iRise and IBM Cognos Insight. It differentiates itself based on the range of data analytics provided and the quality of its visuals. Tecplot Chorus is the first simulation analytics product, as no company combines the ability to visualize and analyze both meta data and underlying physics simultaneously. RH

Tegile

Company:	Tegile Systems
URL:	www.tegile.com
CEO:	Rohit Kshetrapal
Sector:	Computers/Software
Country:	USA
VC$:	Yes

Next generation storage systems these days have a difficult time achieving the best of all worlds- high speed, a low price point and high functionality that provides automatic backup into the system itself. Using a combination of multi-protocol storage, dedupilcation techniques, and unique approaches to cache optimization and flash storage, Tegile offers enterprises an ideal universe. The company claims to be the only player that offers 200,000 sustained IOPS while balancing 200 terabytes of data, and it does so at 5 to 7 x the speed of traditional players for a fifth of the price, or even down to a tenth of the price after deduplication and data reduction techniques are applied.

Unlike most next generation solutions that offer only a single silo of data, Tegile offers a multi-protocol storage array that supports a variety of existing architecture. The company has also achieved significant innovation in flash optimization. Rather than simple cache optimization, Tegile caches the entire file table itself for quicker access, significantly speeding up the process in a way that's ideal for virtualization and file storage. The company then uses deduplication to only take unique blocks of data and run those in memory for agile speed advantages. Tegile can enable specified data to always reside in memory and be quickly accessed.

"Changing the world one data block at a time," as CEO Rohit Kshetrapal puts it, the company effectively provides the high speed required by today's industries with high storage capacity, "something our next generation competitors are still working on."

The lack of fully integrated systems that offered backup or hardware changes like flash technology is what inspired Kshetrapal to found Tegile in 2009. "To us, these were dying systems that needed to be redesigned from a performance perspective," Kshetrapal said. "While server models have been refined, we didn't feel that storage models have had much transformation."

The first year of the company was spent in R&D designing the approach, a process that continues to this day. The company shipped to its first customer in August of 2010, and served a small segment of 25 clients as it improved its platform. It only recently went fully to market on Valentine's Day of 2012. In about seven months after its full scale launch, the company had achieved 120 customers, and continues to double its size quarter after quarter. It mostly serves hedge funds, health care enterprises, state and local governments, and higher education.

The company serves a large market that includes NetApp and EMC, which both contribute to a $25 billion base. Though Kshetrapal acknowledges that Tegile is a billion dollar opportunity, he is careful not to get ahead of himself, instead focusing on the here and now to build his business. The company has had $12.5 million in funding from August Capital, and expects to reach profitability in the next year and a half. It has already come close to its break even point, but reinvests in its growth in this expanding market.

The company is mostly focused on the US, though several of its customers have extended its reach into Europe and Asia. It plans to significantly enter European and Asian markets in the next several years.

Granted, the hybrid based storage space is competitive with such players as Violin and Nimble, but Tegile provides a speed and cost efficiency not currently available in the marketplace.

Offering reliability, high capacity and agile speed for a fraction of the price of its competitors, Tegile stands to upend a growing market with clear advantages and a phenomenal value. Doubling its capacity every quarter is exceptional yet understandable in a market that craves exactly what the company delivers. RH

Trilliant

RED HERRING GLOBAL 100 WINNER

Company:	Trilliant
URL:	www.trilliantinc.com
CEO:	Andy White
Sector:	CleanTech
Country:	USA
VC$:	Yes

Trilliant keeps the pulse of electronic grids, for the sake of the electric companies as well as consumers in their home. Rather than simply being a smart grid media provider, the company provides the software that makes it possible for the whole electronic grid to communicate with itself internally. Utilizing software radio mesh solutions as well as cellular capabilities, the company provides the utility company command control throughout their whole network. For the home, it empowers the average consumer with better capabilities at managing household electricity, from optimizing energy use on the air conditioner right down to the refrigerator and the coffee pot by providing the control and data at their fingertips.

Utility companies gain complete control over their grid for maximized efficiency, and no longer need to send grid readers on location to get readings. Consumers gain deep insight into their power usage, and can therefore manage and adjust their consumption to better facilitate savings.

The company's scalable solutions command whole territories, including the Province of Ontario and the entire city of Burbank.

"We've developed a series of technological solutions that give key insight into how the grid is managed, both from the point of view of the utilities provider to hands-on management inside the home," said Andrew White, CEO of Trilliant. "We enable a more efficient grid that lowers the carbon footprint while enabling consumers better control and insight into their utility bills."

The company was founded in 2006 by three entities based in Silicon Valley, Toronto and Montreal. It is truly a global business, mostly because the US has been slow to adapt to the technology, White admitted. Nearly 70 percent of its business takes place overseas, particularly in areas like Canada and Europe where smart grid technologies have been mandated by law.

"The US has been slow to adapt because government incentives have run out and there's a good deal of investment up front," White said. "Consumers are locked into their utility companies so there's no competition for better alternatives, and the utility companies tend to be more conservative and slower to invest. But it's inevitable they eventually get on board. The value proposition is obvious."

The company landed its first major project in 2006 with Hydro One in Ontario that received a government mandate to implement its smart grid technology in all the province.

Today, it serves over 200 customers of various sizes, including Internet providers, utility companies and co-ops. Other customers include British Gas and GE. It earned $100 million in revenue last year, and grows annually between 10 to 20 percent.

The Redwood City, Calif. company has $150 million of investment from VantagePoint Capital Partners, Investor Growth Capital, MissionPoint Capital Partners and Zouk Ventures. It has just reached its break even point.

Facing a $400 billion market, the company has plenty of room to grow, especially as US energy providers dig their head out of the sand and realize the future, White said. The company competes against Silver Spring.

"In the UK and Europe, our footprint looks great," White said. "We know the whole of North America is just a matter of time. Once the economy improves, they'll make the investment because it will eventually pay for itself. This is an enormous opportunity for us, and the adoption by the world is simply inevitable." RH

Turn

RED HERRING GLOBAL 100 WINNER

Company:	Turn
URL:	www.turn.com
CEO:	Bill Demas
Sector:	Cloud Computing
Country:	USA
VC$:	Yes

Turn delivers real-time insights that transform the way leading advertising agencies and marketers make decisions. Storing the anonymous data of more than 700 million user profiles, its cloud platform makes 750,000 decisions per second, crawling nearly 50 billion ad impressions per day to provide detailed analytics in real-time for intelligent decision making.

Through its algorithms, Turn is transforming the way leading advertising agencies and marketers discover, reach and influence audiences. For example, one shoe client learned that a particular sneaker was more popular with Democrats than Republicans, and could thus target its ad campaign accordingly. Another Fortune 500 company discovered a following with ranchers in Texas, women in Illinois outside of Chicago, and four person families in Connecticut. Insurance companies learned that while more people browsed for insurance on Monday, Fridays were more popular for purchasing. Ad reps could thus target more informative ads earlier in the week and deliver sales driven advertising just before the weekend. One transaction service provider saw its gross margins improve by 8 percent using the company's platform.

The company works with every major ad distributor or holding company in the US and Europe. Despite its relatively small team of nearly 200 people, the company counts Google as both a competitor and a partner. Its sheer reach and scale give it an advantage against the biggest giants, explained Bill Demas, president and CEO of Turn.

"We've not lost a head to head test versus Google in the last 18 months," Demas said. "To me, it's very much a David and Goliath type of story. Despite our size, we are succeeding at winning the business of the majority of ad agencies in the majority of trading in the US and Europe. We find the needles in the haystack that really make the difference in a campaign."

Turn was founded in 2004 by John Ellis and Jim Barnett, two executives from AltaVista, Yahoo's defunct search engine. However, it wasn't until Demas joined the company in 2008 that it decided to purely focus on the analytics engine to drive data for customers. Demas remembers a board meeting in 2009 when he announced the company had arrived at a new shore and would now "burn its boats." There were a lot of nervous faces that day, a few of which left the company because they didn't share the vision, he recalled. The decision also meant abandoning millions of dollars in revenue from sources that didn't fit its new business model. Since that decision, however, revenue has multiplied 25 times, proving it was absolutely the right thing to do.

"We would not be the transformative global force we've been had we not made that commitment to real-time data inventory," Demas said.

The company earns its revenue through contracting a percentage of ad spend per client, as well as charges recurring monthly fees for its data aggregation. Profitable by wide margins, it earns revenue in the hundreds of millions of dollars, doubling every year.

Headquartered in Redwood City, Calif., the company has raised $57 million from Focus Ventures, Norwest Venture Partners, Shasta , Trident Capital and Greenspring Associates. Demas envisions taking the company public, but only to continue its growth, not as an end event.

"We want to continue to expand our global footprint and build something that is great and sustainable," Demas said.

Demas sees the future as a billion dollar opportunity.

"More people are shopping online, but the online advertising world is greatly fragmented," Demas said. "That has created a tremendous opportunity for us to better connect brands to their audience. It's become a complex, science driven business that delivers proven, meaningful returns for our clients." RH

UpWind Solutions

Company:	UpWind Solutions
URL:	www.upwindsolutions.com
CEO:	Peter Wells
Sector:	Energy
Country:	USA
VC$:	Yes

After working for a large OEM provider of wind turbines, Peter Wells was inspired to start UpWind Solutions because he saw the problem from the inside. Service providers were not providing the critical success factors that were needed by the customer at an affordable price. So Wells founded UpWind Solutions in 2007 to provide operations and maintenance solutions to wind energy clients with an on-site connection. Technicians would do inspections, both on-site and off, and because they were not tied to the company that owned the warranty, they didn't bear the conflicts that afflicted so much of the industry at that time.

"A lot of what we offer is not new and well recognized in other segments of energy, but the difference is the price point of these solutions has been too high and doesn't fit the functional level of the owner," Wells said. "We provide the same technological solutions at a lower price point while providing a service that is meaningful to the customer."

The company's commission based monitoring services are about 50 percent of the competition, while predictive analysis well below the market.

One key customer realized a 30 percent cost efficiency thanks to UpWind Solutions' approach. Another client realized a 25 percent improvement in equipment availability in 12 months. The vast majority of the company's clients run on 95 percent availability, quite high for the industry.

The company manages 16 different sites and serves 50 clients, including 10 to 20 core customers. It has grown 60 percent annually for the last three years. Today, its base is primarily in North America, but the real growth will be in its international expansion, said Wells.

The company's achieved its first meaningful sales growth in 2008, mostly doing shorter term work such as inspections, quality checks and asset management. The last several years, however, have snowballed as its sales growth gains momentum. The company had 600 megawatts under long term contract in 2011. In the last quarter alone, the company has doubled that.

"We built a brand on being a top quality company, which allowed us to win our first OEMs and build a decent portfolio," said Wells. "Our scale has started to grow more rapidly and has really gained us a significant presence."

Based in San Diego, the company has received $40 million in venture investment from Kleiner Perkins Caufield & Byers and MissionPoint Capital Partners. It has 300 employees. It competes against Bluewater Wind and First Wind.

Wells expects the company to be earning $200 million in revenue in the next three years. He sees the potential for a $500 million company down the line, but acknowledges that will take more than organic growth and will likely only be possible through key acquisitions.

Wells tries not to be too bullish about the company's potential, and retains a healthy dose of paranoia.

"We've had many successes, but we have plenty of competition," said Wells. "We need to continue to find ways to differentiate and continue to evolve. We cannot stand still. It pays to be worried in this business." RH

US Liner Company

Company:	US Liner Company
URL:	www.uslco.com
CEO:	Michael LaRocco
Sector:	Manufacturing
Country:	USA
VC$:	Yes

The US Liner Company produces a complete replacement for fiberglass that is lighter and recyclable. The company sells glass-reinforced thermoplastic paneling primarily for the refrigeration transportation market, though it has recently made some forays into the construction industry and recreational vehicle markets as well. At $2 per pound, its Versitex product weighs half as much as steel, providing savings not only per container but also in what the truck can haul, sometimes as much as 400 to 500 pounds per box, enabling greater cargo capacity for the shipper.

The company also produces Buletix, an impact resistant multi-layer thermoplastic stronger than steel, and Ecotex, an eco-friendly textile made from recycled Vertitex and Buletix.

"We are shifting the paradigm to move from non-recycled products to alternatives that are better for the environment, while being lighter and overall more affordable," said Michael LaRocco, Founder and CEO of the US Liner Company. "We help the world go green while being able to maximize weight and cost efficiency."

The Pennsylvania-based company currently holds a 63 percent market share of the refrigerated transportation industry. It only recently began selling to the construction and RV markets, but LaRocco expects the company to be able to command a similar share in each market over the next couple of years. Its customer base grows an average of 70 percent per year. Though most of its customer base is in the US, 25 percent of it is international with a small segment in Europe and a strong footprint in China. "We're one of the few US companies that can say we're actually exporting to China," LaRocco mused.

Soon after graduating from college, LaRocco founded the company in 1985 as one of the first companies to provide plastic liner beds for commercial trucks. In the '90s, the company transitioned to composite thermoplastics that it marketed to the railway industry. It then formed its Vertistex product in 2006, which put its base on a steep sales trajectory. The company barely noticed the recession as it continued to grow its market throughout the financial crisis.

"While most companies were struggling, we were in expansion mode," LaRocco said. "As our market share continued to grow, we didn't really feel the contractions of the markets."

Today, the company earns $65 million to $100 million in annual revenue, and has been profitable since 1986. LaRocco expects the company to reach half a billion in just a few years, but he acknowledges that will have to come from accessing new markets as well as globalization. With $11 million of investment in the company so far, LaRocco sees an acquisition of the company as the most likely exit scenario, potentially by a larger partner who could take the company more global.

"There's a lot of market share yet to be gained," LaRocco said. "We see excellent potential in our products, so the sky's the limit."

It's been a bumpy ride, LaRocco admitted, as the company's solution involves a sophisticated chemical technology that requires complicated logistics to get to market.

"Running a startup of this nature is definitely not for the feint of heart," LaRocco said. "There's so much more involved in a manufacturing product than just software. You really have to be wired differently to own your own company in this kind of demographic."

The US Liner Company provides a lighter solution that's directly connected to a shipping company's bottom line. Going green makes sense when it leads to larger cargo that's cheaper to ship. The company has an obvious advantage that makes for the perfect sales pitch. RH

US Trendy

Company:	UsTrendy
URL:	www.ustrendy.com
CEO:	Sam Sisakhti
Sector:	Entertainment & Media
Country:	USA
VC$:	Yes

As the world's largest independent fashion website, USTrendy empowers both designers and consumers by directly connecting them to each other. Designers submit clothes directly to the website, which are then sold to consumers, eliminating the corporate fashion brand in between. Fashion trends are no longer dictated by the top fashion companies or the cover of Vogue, but by the tastes of the women actually buying the clothes. The company's model turns the fashion paradigm on its head, explained Sam Sisakhti, Founder and CEO of UsTrendy.

"We are completely disrupting the traditional fashion model," Sisakhti said. "Typically, these designers are trying to break into the fashion industry by working with the larger labels. We allow designers and consumers to reach each other directly, and in doing so, enable designers to live their dreams."

The company currently works with over 14,000 designers on the platform, some of whom gross sales of over $200,000 per year. The site gets close to 500,000 unique visitors per month, quintupling over the past year, while maintaining a high conversion rate. Its very successful with the 16 to 29 age category.

In addition to offering a virtual fashion store, USTrendy also hosts runway shows in major London fashion boutiques, as well as helps connect designers to celebrities and various media agencies to promote their visions.

"We've learned that designers might be great at creating new trends and clothes, but they're not so great at marketing," Sisakhti said. "We help give them the tools to empower them to market their ideas."

The model of connecting designers directly to consumers occurred to Sisakhti in Las Vegas of all places. He had just landed his first job, but he hated it, and quit within four days. Where else to find yourself but the city of sin? Sisakhti met up in Las Vegas with an old friend who happened to be a fashion designer who recently moved to LA, but was flat broke and sleeping on Sisakhti's floor. That's when Sisakhti realized how hard it actually was to break into the fashion world. His friend designed great clothes, but couldn't land that gig with a brand.

Sisakhti founded USTrendy in 2008 first as a fashion forum to help designers find their place in the fashion world. The company signed up over 2,000 designers in the first couple of months. Designers would post fashions, and consumers would rate them. But Sisakhti quickly realized that the site's real value to both designers and consumers lay in a direct retail connection, so he transformed the site into a clothing store. Shortly after changing the marketing approach, USTrendy landed a $1 million round of investment from Tim Draper of Draper Fisher Jurvetson.

The rise of social media has made it possible to build USTrendy into its own brand, Sisakhti explained. That in turn puts the power to determine fashion trends directly into the hands of consumers, which leads to a more diverse marketplace, not to mention greater fashion variety in the club, the workplace, and the morning commute. Its competition are the major brands that it disrupts with a more direct connection between designer and shopper.

"Just a few years ago, it was very difficult to build a brand, but thanks to social media tools like Pinterest and Instagram, it's never been easier," Sisakhti said. "While my mother's generation is very brand conscious, the new generation is more interested in having an independent look. They no longer need to look towards the big brand names to decide the new trends." RH

Viglink

Company:	VigLink
URL:	www.viglink.com
CEO:	Oliver Roup
Sector:	Internet & Services
Country:	USA
VC$:	Yes

Oliver Roup, the founder and CEO of VigLink, proved the marketing concept of his company by assigning himself some homework. While finishing up his MBA at Harvard Business School in 2009, he decided to do the math on how many bloggers and other publishing websites actually acted on Amazon's offer to monetize click traffic, which a number of commercial websites are willing to pay for. Despite the fact that Amazon was one of the easiest of these sites to enable such monetization, Roup discovered that less than half of the websites he examined took Amazon up on the free money making service, mostly because the required coding was way too complicated.

So Roup created VigLink as a simple plug in solution for publishers to automatically monetize the click traffic that eventually leads to a sale. As readers click through a particular blog, the program follows where they go, and if they land on one of VigLink's sponsored brands, that publisher earns a payout. Though the cash can vary according to the content, VigLink earns publishers similar revenue to what they'd earn from Google's AdSense. Plus, VigLink's technology is meant to complement advertising services such as Google, not compete, so it is essentially providing these publishers an additional revenue stream, for free, all with a simple plug-in, no coding required. It earns revenue by taking a cut of what it charges advertisers.

The company has over 30,000 merchants on the platform. It sees over 5 billion page views per month, and has over 330 million unique visitors across the network. It works with nearly twice the merchants of its closest competitor, Skimlinks out of London, and it pays better, according to Roup.

Roup started pitching the idea for the company to VCs in 2009, a tough time to ask for money. He pitched to more than 90 firms before landing the ear of Google Ventures while an entrant in Harvard Business School's business plan competition. Roup raised $7.4 million in venture funding. Six months later, he and a team of 24 developers had built the code for VigLink, launching the platform in February of 2010. Investors include Emergence Capital, Google Ventures and First Round Capital

"From fall of 2009 through January of 2010, we were just heads down, cranking out code," Roup remembered. "It was an intense time."

Though the San Francisco company was ripe with funding and had a solid platform, customer acquisition proved slow at first. Roup got an email from a competitor, Driving Revenue, which faced the opposite problem- a strong customer base but had trouble raising funding and getting the technology off the ground. Roup flew to Chicago to have dinner with the company's founders founders Raymond Lyle and Jack Bafia. One thing led to another, and VigLink ended up acquiring Driving Revenue, including its larger customer base, which solidified the company for publishers and allowed it to take off.

"It got us over the hump," Roup said.

Counting tens of thousands of customers today, the company earns eight figures in revenue and serves most English speaking countries. With most of its base in the US, it also has strong presence in Canada, the UK, and Australia.

"We're attacking a huge market with an enormous technological advantage," Roup said. "We provide an easily measurable value for both publishers and advertisers. Ruling this market is really only a question of execution." RH

Vindicia

Company: Vindicia
URL: www.vindicia.com
CEO: Gene Hoffman
Sector: Computers/Software
Country: USA
VC$: Yes

Vindicia was founded upon a very simple concept. For the web to offer real value, website owners need to make money. Vindicia helps them do that through proven anonymous statistical models that take the guessing game out of creativity in the new technological economy. The company offers software tools to retain and optimize each paying customer based on already proven concepts and scenarios..

Its CashBox product works as a marketing, CRM and billing platform. It uses automation to optimize when it is a good time to bill a client, which clients should be marketed yearly or monthly subscriptions, and which business models work best. Its secret sauce is the Vindicia Client Network that has processed over 1 billion transactions in over 120 million customer accounts through 80 million credit cards. CashBack increases customer retention by 10 to 15 percent. The system provides proven business models for launching marketing strategies, explained Gene Hoffman, CEO of Vindicia.

"Giving the marketing team real blind data to show the range they'll end up in is really powerful," Hoffman said. "Otherwise each company is making a decision in a vacuum and the best they can do is blindly test it. We can prove if a strategy will work, based on other companies' experiences."

One problem Internet billing companies face is that 10 to 15 percent of all credit transactions fail, which can result in missed payments or dropped customers, Hoffman said. CashBox brings that number down to 3 or 4 percent. Vindicia recently launched its ArtBox tool which pushes through those payments for proven, regular subscribers, bringing the fail rate down to 1 or 2 percent.

Based in Belmont, California, the company serves over 100 customers that include TransUnion, Yahoo, NASCAR, the NBA and the NFL. Growth has been agile at 60 to 70 percent year over year. It serves gaming companies, financial services, and just about every major dating site.

"One of the most frightening aspects of the late '90s was the attitude that the Internet meant that all information would be free," Hoffman said. "Hell no. We enable companies to charge premium rates for truly compelling services. If Netflix can gain and retain that many more subscribers, they can offer higher quality content, and everyone wins."

Vindicia earned $12 million in 2011, and expects to be profitable on the near horizon. It has raised $40 million to date from BDMI, DCM, FTV Capital, and ONSET Ventures. The company is cash flow positive with a good deal of that investment still in the bank. Vindicia iis being built for an IPO, Hoffman admitted.

"We feel this opportunity to empower digital services is a huge opportunity," Hoffman said. "We could get acquired, but this has all the right indicators of being the type of company that addresses a huge market. We have powerful data that's a huge barrier to entry. We feel we can build this into a really powerful entity."

Hoffman expects Vindicia to easily be $1 to 2 billion company. The question is only how fast.

"Considering our new products, where we're heading and what we can do with our data set, it is very compelling to talk to an entrepreneur and take the fear or uncertainty out of how to drive these business models forward," Hoffman said. "We're creating a world in which there is value in thinking outside the box."

The company faces competition from Chargify, Braintree and CheddarGetter. RH

Wajam

Company: Wajam
URL: www.wajam.com
CEO: Martin-Luc Archambault
Sector: Internet & Services
Country: Canada
VC$: No

Wajam turns Google and the web into an inner circle of your friends. Downloaded onto a browser or smartphone, Wajam tells what your friends have searched for, bought or what hotels they've stayed at, turning average advertisements into social statements of sharing that users barely recognize as marketing. Instead, the results appear as suggestions of trusted friends that can be monetized at a greater value than the ads Google randomly scrolls on the top of its results.

The company's technology connects to what users and their friends have shared on social networks and reflects that in the search results. A Google search for Montreal will reveal a Google map showing where friends have checked in, for example, and provide those locations at the top of the results for a more socially relevant search. Browse Amazon, and you'll see music and books your friends have purchased.

"We want to be the social search engine that everybody uses," said Martin-Luc Archambault, co-founder and CEO of Wajam. "What we want to do with all this technology and semantics is to provide our social search API to sites like TripAdvisor or Amazon that would love to offer choices based on what friends like. If we can crack social advertising, we can be the next billion dollar company."

Wajam is in an ideal position to go head to head with the giants of the Internet, though partnerships to make those ads social are far more likely, Archambault explained.

The company's first step is to build its community. While Archambault declined to share specific figures, he offered that the company had over 5 million monthly active users with tens of thousands of downloads every day. The company generates over 30 million searches every day, and has grown to close to 300 servers to manage such capacity.

"We've proven our technology can scale," Archambault said. "That's the only way we'll be able to license it to other people."

Naturally, Wajam's next step is to license its social knowledge to third party companies, which it plans to do in the next year, Archambault stated.

Based in Montreal, the company launched privately in January of 2011, and came out of beta in January of this year. Though it only began earning revenue this year, the company is already profitable by a wide margin.

It has had an undisclosed seven figure investment from Bolidea, a Montreal-based technology incubator. The company will likely seek additional funding soon. "If we want to be the leaders in social search, we'll need a huge partner," Archambault stated.

In competing against the giants, Archambault recognizes that Google, Twitter or Facebook could shut down the company's pipeline to the social graph and put it out of business. Archambault views this threat as manageable, as Facebook and many of these sites market themselves as pure-play, open platforms to encourage development, and generally don't hinder entrepreneurs from using their environments.

"The timing is right. Everyone is talking about social search, and people are sharing their lives online at an unprecedented rate," Archambault said. "Someone will crack social recommendations in the next 24 months, and we've got the best offering to do it." RH

Wideorbit

Company:	WideOrbit
URL:	www.wideorbit.com
CEO:	Eric Mathewson
Sector:	Software
Country:	USA
VC$:	Yes

In 1976, advertising companies simply had to buy a slot on Happy Days to reach a third of the US population. Due to fractionalization spurred by increased cable TV and Internet offerings, advertisers now may have to engage in at least 50 separate buys to reach the same audience, resulting in an endless mess of phone calls, faxes and multiple invoices that often don't provide confirmation until 35 to 50 days later. Unlike buying stock, purchasing media is exceedingly complicated with an endless slew of metrics to consider, yet it remains largely a manual process that has changed little since the days of rabbit ears.

WideOrbit creates an aggregated media marketplace that makes media purchases automated and succinct, providing a comprehensive record system across nearly all media forms for both the buyer and seller. Powered by real-time ad campaign management tools, transactions become instantaneous. Buyers sell faster with increased planning and targeted positioning, while sellers gain the data they need to focus on their most profitable clients while maintaining and improving existing price relationships.

More than sales talk, proof of the company's approach can be found in its commercial footprint, said Eric Mathewson, Founder and CEO of WideOrbit. The company currently manages more than $20 billion in annual ad spending, with more than of 70 percent of US TV stations, 25 percent of all US cable stations and nearly 10 percent of US radio stations running advertising through its platform. Over 300 customers use its core product, while more than 1,000 clients subscribe to its ancillary solutions. More than 2,200 stations and websites use its platform today. The company continues to aggregate 33 to 50 new stations or websites per month.

"The industry has spoken with its feet," Mathewson said. "We've been doing this a while, and have reached such a significant critical mass that there are few entities out there that can solve the threats we solve."

With a background in equities and derivatives, Mathewson founded the company in 1999 with the realization that visible and accelerated metrics were critical to scraping a profit out of a media transaction. The company took 18 months to build the original platform. It hadn't been tested, however, and Mathewson doubted new clients would volunteer to be guinea pigs. In February of 2001, he and a number of friends bought an NBC affiliate station in Upstate New York to test bed the product, a strategy that worked perfectly, Mathewson recalled. By the beginning of 2002, the company had signed the New York Times Broadcasting Group, and has never looked back since.

And there's plenty of room for growth. With ad spend totaling $500 billion globally and $123 billion in the US, the company currently addresses the $1.6 billion global media software market and plans to soon expand into the $11.3 billion North American media transaction market. It has yet to address newspapers and magazines, which makes up a third of all ad spending in the US.

Though 92 percent of its market is focused in the US, WideOrbit also has wide traction in Canada, India, Mexico, Peru, Argentina, New Zealand, Australia and Dubai.

With $28 million in investment from Mayfield Fund, Khosla Ventures, Greycroft Partners and the Hearst Corporation, WideOrbit is currently raising $55 million in debt to purchase key acquisitions. The San Francisco-based company will likely raise further equity in the next year to level out the balance sheet.

Mathewson said the company is on track to earn well over $100 million next year, and is a size it could go public. Mathewson expects the company to easily earn $1 billion in the next several years. RH

Zaarly

Company: Zaarly
URL: www.zaarly.com
CEO: Bo Fishback
Sector: Mobile
Country: USA
VC$: Yes

Want someone to make you a sandwich? Zaarly can make it happen. The company provides a hyperlocal marketplace for just about any service on earth, providing its not too kinky. Zaarly is designed to be family friendly. But if you want to borrow a lawn mower, hire a yoga instructor, or arrange for a gourmet picnic basket under an oak tree, Zaarly has you covered.

The company was born on the fly of a pitch. A little over a year ago, Zaarly Founder Bo Fishback attended Startup Weekend, mainly with the excuse to meet an old friend and have a good time in LA. He definitely had no plans to pitch a million dollar softball. The purpose of the weekend was to field startup ideas, hundreds of them, run them by a team of judges and then spend the weekend strategizing the best of the competition. Fishback threw out the idea for Zaarly as an impulse, but the judges like it, including Ashton Kutcher, a friend of Fishback's who ended up providing Zaarly's first round of seed funding. By the end of the weekend, they had a working prototype, and Fishback and his partners quit their jobs that following Monday to launch the company. Two weeks later they had a more developed model for the platform which they launched in downtown Austin, Texas. Within the first day, $10,000 in trades within a six block area went through the system.

"Everybody's eyes are glued to their mobile phones all the time, yet there wasn't a way to capitalize on the fact that people want things and services all around you," Fishback said. "We launched Zaarly as a hyper-local real time eBay. It is a near inevitability that what we are building will change the way economies work, and hopefully we're the guys who figure out how to do it."

But that's the trick, Fishback admits. Zaarly wasn't difficult to build, and already at least 40 clones have sprung up, including a China replica that copied its website pixel for pixel, resulting in a number of surprised investors calling Fishback up wondering why they were never told of the China launch. "We're not launching in China," Fishback assured them. Zaarly's real power, however, comes from building a community, and no clone has come close to catching up. By this past summer, Zaarly had a half million users with over $40 million flowing through the system with massive growth, despite spending virtually zero dollars on marketing. "We've really got a shot at building our generation's eBay," Fishback said.

Fishback is wary of the "creep" factors that have plagued Craigslist. One important strategy is to keep Zaarly clean for the soccer moms, Fishback said. The company's algorithms crawl the site for keywords associated with the kinky or illegal, and even comb porn sites to keep up on the latest dirty slang or code words.

The company raised $14 million in venture funding in the fall of 2011 from investors that include Ashton Kutcher, Felicis Ventures, Paul Buchheit, Bill Lee, Naval Ravikant and Lightbank. Zaarly has 40 employees. It could be profitable, but currently invests in its growth and will likely reach the break even point next year. One thing Fishback was very clear on, Zaarly is not for sale.

"We are trying to build a generational company that changes the way people think about work and spending their time," Fishback said. "Somebody is going to build a Google size company in this space. It might as well be us."

Fishback estimates the local search market at $1 trillion in the US alone, and no one company will get it all, so there's plenty of room for competition. Fishback only hopes to continue to mass Zaarly's community and leave the clones in the dust. RH

Zencoder

Company: Zencoder
URL: www.zencoder.com
CEO: Jon Dahl
Sector: Software
Country: USA
VC$: Yes

When it comes to video, speed is the silver bullet. Zencoder's cloud based video encoding platform flies faster than just about everybody.

The company can transfer high definition video twice as fast as real time, and standard video up to 10 times faster than real time, compressing a 10 minute video into a two minute process. Perhaps just as impressive is its success rate of 99.98 percent. Zencoder's speed and quality is the envy of the industry.

"Video may be difficult to work with, but we eliminate its complexity with a simple API," said Jon Dahl, CEO and co-founder of the company. "Zencoder lowers the barrier to entry for publishers of video."

One major barrier is cost. Zencoder provides the same functionality for just a few dollars a month that it offers its larger clients who pay $10,000 per month.

The company's customers include video publishers on mobile and the web, including premium publishers such as Funny or Die, PBS, and College Humor, as well as user generated content sites such as Smut Mag or Yammer. Its active base of 600 customers quintupled over the last year alone. The company codes well over 3 million videos per month.

The company's three founders got into the video space at the ground floor in the early YouTube days of 2006, building transcoding technology for a number of startups before building one of the first cloud transcoding platforms for On2 Technologies. When that company was acquired by Google, Dahl, and fellow co-founders Steve Heffernan and Brandon Arbini created Zencoder in 2010 as part of the Y Combinator program, benefiting from not only its seed investment but the tutelage of its leaders to review. That funding enabled the founders to rent a rustic house in the redwood forested mountains of Santa Cruz, complete with a wood burning stove, scores of wild turkey, deer and even a few scorpions. Hugging redwood trees was far from their agenda however, considering the 80 hour work weeks they spent coding. The hard work paid off with a working platform of the technology built in about three months.

"It was probably one of the most productive periods any of us have ever had," Dahl, said. "It was beautiful scenery, but the hard work was intense."

That invested sweat today earns the company revenue in the seven figures, not bad considering the mere $2.5 million invested in the company. Those investors have already had their return, as Zencoder was acquired for $30 million last July by Brightcove.

Despite the acquisition, its still business as usual for Zencoder. Brightcove acquired the company to operate as an independent product line, but continues to advance the evolution of API-based media services in the cloud. Dahl explained that the two companies mission of revolutionizing video lined up perfectly. With

Brightcove's marketing assets and global sales team, Zencoder's technology stands to make a profound impact that revolutionizes the very nature of how video is delivered.

The company competes against Encoding.com, New Bamboo, and Ankoder. RH

Zenoss

Company:	Zenoss
URL:	www.zenoss.com
CEO:	Bill Karpovich
Sector:	Software
Country:	USA
VC$:	Yes

Zenoss is an open source network management platform that allows system administrators to monitor availability, inventory, performance and events. Embracing the "IT-as-a-Service" model, the company provides a unified single platform that simplifies the building blocks of the network, allowing for a model-driven, real-time understanding that is service focused and scalable.

The open source project began in 2002 by Erik Dahl. The company was founded in 2005 to back up the open source model with an enterprise package.

The platform is deployed in over in over 35,000 organizations in over 180 countries. Customers include VMware, Carlson, Deutsche Bank, LinkedIn, Rackspace, Telstra, and the US Army. Its open source project has over 2.4 million downloads.

The privately held company has raised $45 million in investment from Grotech Ventures, Intersouth Partners, Boulder Ventures and the Maryland Department of Business and Economic Development. It has offices in Annapolis, Maryland, Austin, Texas and San Jose, California. RH

Zmags

Company:	Zmags
URL:	www.zmags.com
CEO:	Scott Bleczinski
Sector:	Other
Country:	USA
VC$:	Yes

Zmags delivers fully branded ecatalogs across web, mobile and social ecosystems to unlock revenue opportunities for major brands in the continually evolving digital world. The company works with major brands, some of which are a century old, to maintain brand integrity in emerging digital medias, providing them immediate access on a platform that delivers results. It allows brands to maintain consistency across multiple channels. Zmags' clients typically see a 55 percent increase in order size after implementing the platform, a 200 percent lift in conversions, and an increase of 5 to 10 x in time spent on the site. Not many ecommerce companies can deliver such impressive results, but they've become Zmags calling card, visible proof their branded solution weaves gold thread.

Part of that success comes from a creative approach of delivering the brand. A "Buy the Look" functionality enables customers to buy the entire outfit of a featured model, for example, creating an immersive experience that resonates with customers.

"Zmags delivers an impressive experience that engages customers like never before," said Scott Bleczinski, CEO of Zmags. "We present brands in a way that's engaging, intriguing and appeals to curiosity."

Bleczinski estimates the company faces a $6 billion to $8 billion market opportunity. Zmags serves over 2,000 customers across just about every demographic that sells online. Customers include Kenneth Cole, Audi, the Container Store, and Office Depot. Growth has been steadily rapid at 30 percent this year, and an average of 20 to 40 percent for the last several years. That's a trend Bleczinski expects to continue, if not accelerate. "With the impact of tablets and mobile in general, we've become downright bullish lately," Bleczinski admits.

The company was founded by Jens Karstoft out of Copenhagen, so it's had an international presence from its very beginning. Karstoft had the idea of transforming traditional brochures into ecommerce tools that engaged in a unique fashion, and bootstrapped the company's foundation in 2006. It had over 100 customers in its first 12 months, so Karstoft knew the company was onto something. Growth has been aggressive since the beginning, and the company continually evolves.

Headquartered in Boston, the company has offices in Copenhagen and London serving a global base of customers. Its revenue model is an SAAS model based on the number of ecatalogs and web traffic. Though Bleczinski declined to characterize the company's revenue size, Zmags made the Inc 5000 this year.

Zmags has raised an undisclosed amount of investment from Open View Venture Partners.

Bleczinski sees Zmags growing to revenues in the hundreds of millions of dollars in the next several years. It just completed its biggest budget quarter to date. Bleczinski remembers his experience working as Vice-president of Sales for Exact Target when he helped grow that company's sales from $3 million to $115 million. Zmags is stacking up to be a similar opportunity. "Our foundations couldn't be more sound," Bleczinski stated. RH

Scalable Infinity

Scality's CTO Giorgio Regni discusses the company's elastic approach to object storage that makes mass amounts of unstructured data both scalable and understandable.

Scality offers extreme-scale high-performance data center products, enabling enterprises to offer their own public clouds at a fraction of the cost of larger providers such as Amazon. The company combines object storage using flexible-sized data containers with a distributed file system to store vast amounts of data in a way that can be quickly accessed and assessed. Not only does Scality enable storage to scale infinitely, it provides a user-friendly system that makes vast amounts of data manageable and understandable. Recently, Red Herring had an opportunity to sit down with Giorgio Regni, Scality's CTO, and discuss the fundamentals behind the technology.

RH: What challenges are inherent in unstructured data, and what solution does Scality provide?

A: Unstructured content continues to grow at an exponential rate, and you don't know what part of the data set will be used in the future. Yet it is critical that all data is available while maintaining a certain speed to the application. You don't know how many servers will be accessing the data, but you want to be sure it can be accessed in a fast, viable fashion. Since it is growing exponentially, you need a solution that guarantees that you can continue to have high performance as you continually add servers. A lot of storage has a massive back end capacity, but to accept the data for a standard interface, it can go through a lot of bottlenecks. Your capacity grows exponentially, but not your ability to access or process that data. We designed a solution where there's no central database or central point so everything scales. We can process infinite amounts of data very quickly.

RH: How do you limit latency in object storage?

A: We decided to keep a standardized system because customers want the security to be able to move the disk and still accept the data, and to even grow out of Scality and still have acceptable data. That is not the case with other object storage solutions. We have an admin that backs up your data into large files and create indexes of these large containers of information. Then we can provide very consistent and very predictable latency to locate that data on disk.

Let's say you have a million objects on one disk. On a standard system, you would get very high performance when you only have 1,000 objects. But as you insert objects and consume inodes, your system becomes slower and slower. We implement an indexing capability that gives consistent performance. Essentially, it doesn't matter how many objects you have on a disk. Locating the object container is only one click. If you have a billion objects, it will always be one click. It gives us a huge edge in terms of performance.

Scality has its own distributed index database that is fully distributed without any bottlenecks. You can think of it as a molecular database. It can be exposed as a regular file system, but it is not a gateway solution where you have to connect to a gateway and then to storage. It's distributed on the entire storage file as well.

Our goal is to import applications. We're not about file vs. object vs. block. We just want to make sure the application can access what it needs with consistent performance on the storage. We don't limit the system in terms of protocol. We started with pure object because it was easier, but as we matured our distributed database, we quickly saw that it could do file systems as well. We found it much more attractive because people don't have to change the application, which was the biggest slowdown in our sales cycle.

RH: How is the system designed to fail, and how does that differ from other industry solutions?

A: Hardware failure is not an exceptional case. It is something we purposefully plan for. The complexity for developers is they have to think of a lot of scenarios and continually provide backup to avoid catastrophe. Scality backs up the data continually. You could have an offline object, but you will never have a case where we answer an application and not have the data stored in some type of storage. With that in place, it is easy for us to unplug the power and see that nothing is lost. There is never any in-between where the data is not reliably backed up, and that's pretty unique to our solution.

RH: What are the advantages of distributed storage over network attached storage (NAS)?

A: If you look at NAS, it's a very cellular protocol where you have to wait for the last command to be received before you send the next command. That is very limiting because you can only go as fast as the NAS can serve the inode. Even if you can accelerate your injection speed, there's still nothing more you can do to speed up the processing of the data. You have to store the NAS request in a cache, and you're blocking people. By design, that cannot be changed because you are limited by the number of IOPs.

Scality will have less IOPs per server, and we can guarantee that adding servers will improve the IOPs. That's the most important thing.

RH: How are you changing the notion of the private cloud, and how will this transform the industry?

A: With our solution, the economies of scale starts when you go past a petabyte. We see a lot of hosting companies that want to compete against Amazon by building a public cloud. A technology like ours is very good for them because they can have the petabytes they want at a much more affordable rate of roughly 2 cents per GB/per month, less than half the cost of Amazon. For smaller enterprises, they talk about the cloud, but they don't have that much data. It makes sense to go to Amazon or one of our customers that uses Scality as their back end. We are an ideal choice for a very large

enterprise that needs to set up its own cloud. We could be seen as a public cloud for the enterprise.

RH: How does Scality deliver such a low cost of ownership?

A: Scality automates just about every part of running a data center. Our customers win a lot through a much more simplified approach. One of our first customers in Belgium only has one systems engineer for their entire Scality system, and they have 5 million users. Scality Ring can tell you exactly what's happening and has many ways to automatically repair itself. It is an extremely resilient system.

RH: How does Scality change the world of big data?

A: Scality makes data much simpler to manage. Today, when you do big data on Hadoop, you have to deploy a dedicated Hadoop system, but it won't be the same as your online system because Hadoop has a lot of limitations on how you manage the data. You'll have to push large containers, and you won't have compliance. We take Hadoop and modify it so it doesn't interfere with your online storage. With Scality, you have the ability to compute exactly where the node is. Big data enterprises can use our system to push their data, load Hadoop on our system and work directly with the data without moving it. In Q2, we will have support for Hadoop on the storage nodes, so we'll offer unified object store and Hadoop processing on the same platform. That is huge.

RH: How else do you see Scality's technology evolving?

A: We're going to continue to remove obstructions in managing data. Our goal is to be the core storage infrastructure. It is critical to divide the storage in a logical fashion so that many entities or people can use it, while still maintaining a sense of security. We are basically going to allow the admin to create virtual Scality rings that use the same hardware for a unique isolated view of their occupying space. You'll have one large Scality cluster, say 1,000 users, and they'll all see their own independent view of the ring, with a quality of service, security features and encryption installed. You'll be able to partition off storage into smaller pieces, and give access to other people, with guaranteed isolation and security.

In terms of a road map, we will add partitioning and snapshot of the partition ring sometime in 2014. By the end of next year, it is going to be easier for an IT manager to deploy because he will be able to partition and export as he would do on an enterprise model. It will make the system more applicable to enterprises.

We need to converge on the sales aspect and grow as a company. That's going to be our biggest focus in the coming years. RH

Digitizing the Final Frontier

DocuSign's eSignature transforms the speed of formal contracts and how today's business gets done.

In more than 190 countries, a signature is the most trusted validation of a document. More than 300 million businesses and over 4 billion people face the constraints of a signed lease, new sale or employment contract.

Companies such as UPS and FedEx thrive on the premise that all parties relevant to a contract require duly signed documentation. But is this long held tradition about to be made a thing of the past?

DocuSign is one company attempting to make this happen. The company provides the leading electronic signature cloud solution on the planet. DocuSign currently holds two-thirds of the e-signature market and has reached 25 million people, a number it has doubled in the last year, reaching 188 countries.

Adding 60,000 signatures per weekday, more than 200 million documents have been signed through DocuSign, yet the company has "only begun to scratch the surface", according to Keith Krach, DocuSign's CEO who joined the company in 2011.

DocuSign caters to all sectors and services, from HR to healthcare to the field trip permission slip. Last April, the District Attorney's Office of Butte County in California started using DocuSign to expedite search warrants and the IRS has announced it will accept DocuSign signatures for the first time this tax season. Many customers simply buy the DocuSign product online, but the firm also has separate corporate sales groups assigned to SMBs and enterprises.

Three factors drive the widespread adoption of the electronic signature.

First, there is no cost to sign a document. The fees are provided through a SaaS package purchased by the sender of the document. While signers pay nothing for the service, they typically end up using it again, and then tell friends and colleagues about it.

Secondly, DocuSign's electronic signature drastically reduces the time it takes to get a document signed. SalesForce, today a DocuSign client, once took three to four days from the time of making a proposal to signing the finished deal. DocuSign enables 90 percent of documents to be signed in less than 24 hours, 70 percent in less than an hour, and 60 percent in less than 15 minutes.

The third factor driving DocuSign's viral growth is the convenience of the process. This explains why almost all of its new members participate in a second contract after their initial effort. "Anyone who tries it, uses it," said Keith Krach, DocuSign's CEO who joined the company in 2011. Krach said "That's the beauty."

The advantages of adopting electronic signature seems compelling from all sides, but it has been a long time in the making. Initially, the real challenge came from users who needed reassurance regarding the legality and binding consequences of e-signature. With the passing of the E-Sign Act of 2000 by the US congress, some of this skepticism was eased.

Confidentiality and security are crucial for such a technology. Signature and document encryption protects users and blocks even DocuSign operators from accessing documents. "Confidentiality is paramount to all transactions," Krach said.

DocuSign started as a B2B company, with more than 40,000 corporate subscribers up to December 2011. Packages range from $15 to several million dollars for large multinationals. As an SaaS company with multi-year contracts, it can predict its future cash flow with a large percentage of recurring revenues, given its low churn rate and focus on expanding e-signature across the organization. Although official numbers are not being divulged, most assume that DocuSign trends around $50 million annually, with a 100 percent CGR in sight until 2017.

But there are threats to DocuSign's dominance of the market. The company faces growing competition in the esignature field, most notably Adobe's EchoSign as well as RightSignature.

EchoSign was acquired by Adobe in 2010 and has been embedded into the firm's Acrobat Reader products. "What excited us about EchoSign is they have a knack for just nailing a dead simple customer experience," Mark Grilli, senior director of product marketing for Acrobat Solutions, told Red Herring. "We have a strong heritage in the paper to digital documents, and the last mile of paper is the digital signature. It was a natural fit." Though Grilli declined to share metrics, he revealed that the use of e-signature in Adobe products is in the "hundreds of millions," and growing fast at over 100 percent annually.

Grilli maintains the size and growth of the market allows plenty of room for multiple players. With EchoSign, Adobe has an advantage over the market in its sheer size. "Adobe is not a company that just sprang up," Grilli said. "We have an established footprint in the document business with over $4 billion in revenue." Still DocuSign continues to command the lion's share of the market, and at its continued growth trajectory, is quickly becoming the standard e-signature platform. Considering the billions of signatures signed every day on the planet, it is an enviable place to be as the electronic signature becomes the norm.

DocuSign has selected an industry veteran and a stellar venture capital firm to lead the charge: Keith Krach, one of the most prominent Dot com executives who took Ariba to its $30 billion market cap in 1999. Krach sat on the sideline for 10 years, then seized the DocuSign opportunity, which he views with the same excitement as Ariba. As Krach explains it, "every business is a potential customer, and every person you meet on the street is a potential user. It's an incredible opportunity."

DocuSign continues to command the lion's share of the e-signature market.

Not only did DocuSign select Kleiner Perkins as its investors, which led its $47.5 million venture round last summer, but its other investors include Accel, Comcast and Google Ventures. More than $122 million has been plowed into the business since its inception. With the KPCB investment, the company added to its board Mary Meeker, formerly the number one analyst at Morgan Stanley who has since joined the prestigious Sand Hill Road VC.

DocuSign's services extend beyond signatures. The company also offers a management system, providing a complete trail for the back end, allowing its clients to see who signed what, when, and where. "Mobile is the fastest growing part of our business," Krach said. The company's iOS app, "DocuSign Ink," is one of Apple's leading apps for 2012.

Already serving 188 countries with global reach, DocuSign's next agenda item is further international expansion, particularly in Asia. While DocuSign's e-signatures are already used extensively, the real tipping point will likely become the second half of this decade. "DocuSign is already becoming a verb in some places," Krach mused.

The question is, when will DocuSign become a verb in Chinese? Krach has spent a fair amount of time in Asian airports. "Spending time with customers is part of the job," Krach said. "Ultimately, we measure our success on our customers' success. Our objective is to improve the way business can be done." RH

Happily Committed

DocuSign's CEO Keith Krach candidly discusses how a quality team on a mission can make the best contract for success.

DocuSign's CEO Keith Krach has a historic legacy when it comes to running successful companies. He began his career at the early age of 26 when he became GM's youngest vice president ever. He then helped lead the Rasna Corporation to #3 on the Inc. 100 List of Fast Growing Companies and sold the company to Parametric Technologies for $500 million. Krach co-founded the management software company Ariba, serving as its CEO and board chairman for seven years. The company went public with a market capitalization of $34 billion. Krach was named the 2000 National Entrepreneur of the Year by Ernst & Young. That same year, Krach was awarded the Technology Pioneer Award at the World Economic Forum. Most recently, Krach has helped lead DocuSign to commanding two-thirds of the global esignature market.

Red Herring recently had a chance to sit down with Krach and discuss business fundamentals, managing a company in the technological opportunities of the 21st Century, and why money is not his sole reason for getting up every morning.

RH: What lessons have shaped your life as a CEO?

A: The most important thing is to build the best team. That's critical. The company with the best people wins. Beyond that, the focus always needs to be on the customer. We measure our success by our customers' success. It's really important to have a strong set of values, a strong set of team work, and to have fun along the way.

RH: How does running a company today compare to the days of 1995 when the internet was just getting off the ground?

A: Fundamentally, the biggest difference is speed. The technology is changing a lot faster. There's more enabling technology out there, and it moves at a lightning pace. Nevertheless, the basic principles of business still apply, but at an extremely accelerated trajectory. There is absolutely no time to stand still, or you'll fall behind. Whether it's proactive or reactive, you simply must run faster.

RH: How do you hire the best people in the Valley at a time when talent is so scarce?

A: Benefits and high pay are obvious, but more importantly, people like to feel like they're building something great for the world. Much that's behind great hiring has to do with having a noble cause and a mission. Our objective is to change the way business is done by transforming how people sign things. At the end of the day, that's the most important thing. We're changing the world, and a lot of talented people want to take part in that.

RH: Could you have run DocuSign in your 30s?

> "Beyond that, the focus always needs to be on the customer. We measure our success by our customers' success."
>
> KEITH KRACH, CEO, DOCUSIGN

A: That's a good question. What I do know is that I can do my job much better today because I have more experience. Managing a company is an educated skill. The more experiences you have, the smarter you get over time. My knowledge is continually expanding. I have a lot of experience, but there's still so much to learn. That's what makes it fun.

RH: Does the financial incentive compel your work at DocuSign? What makes you get up every morning?

A: Money has never driven me, ever, in anything I've done. I've always just wanted to do a good job. For me, that's the mission. My work with DocuSign is about making a successful business that helps transform the way business is done in the world. It's about working with a great bunch of people and building a great company. I love working for the customer. For me, this is great fun. I enjoy both the challenges and the opportunities for making a better world.

RH: Is DocuSign your last gig before retirement?

A: Never say never, but all I can say is I am committed to DocuSign. We're building a great company, and that's my entire focus at the moment. I have a wonderful family and a great company. I am happy. Beyond that, who knows what the future holds? RH

A Network Revolution

Beyond Hardware, Net Optics Innovates New Possibilities for Network Performance Management in the cloud.

Though the company serves the Network Packet Broker (NPB) industry as well as the application aware network performance management (AANPM) space, Net Optics value proposition is simple. Companies need security and compliance in the cloud. They need to be sure their networks perform optimally with no degradation in quality and know their networks are secure. They need to design a network that is defendable and can anticipate what is happening and be able to respond quickly to threats. Net Optics provides intelligent architecture for the network, allowing granular visibility to optimize its efficiency. It provides performance optimizing and security plug in solutions that fit into a business's systems and can be updated on the fly.

One problem enterprises face is that performance network tools do not keep up with the pace of the network. Net Optics tackles this challenge by instantly plugging in several tools to analyze the data, gaining understanding from mass sets of data through several software approaches. What's more, the specialized tools can be sent to handle specific data sets, allowing specialized tasks to be done instantaneously.

"We're able to help companies scale by using the same tools they've already invested in," Shaw said. "We provide an immediate return on investment and have the ability to partition traffic to be much more efficient."

Net Optics successfully transitioned from a hardware company to a software solutions provider in the cloud, with multiple offering in Network Performance Management (NPM)), VoIP management, network monitoring and security while expanding its role in the Network Packet roker and tap technology spaces. Net Optics has changed the game for network management and data analysis for its customers.

The transformation came as a result of Net Optics' acquisition last year of Triple-Layer, a previous distribution partner that provided the company an Asia-Pacific gateway for the last eight years, as well as its parent company nMetrics, an innovative software developer that will serve to expand the company's portfolio. While Net Optics has long specialized in hardware and software network and data visibility solutions, the acquisitions led to the company's development of AppTaps, an all-in-one software app that replaces security and monitoring apps, essentially allowing it to provide network visibility into a cloud in a virtual space, enabling remote monitoring without the need for expensive infrastructure.

It is a recent transformation that is slowly changing the company. Net Optics CEO Bob Shaw estimates that software currently makes about 20 percent of its business, but is quickly catching up. "There's a healthy competition between our software engineers and our hardware departments," Shaw said. "It's been a lot of fun, and certainly makes things interesting around here."

And many times businesses need visibility in multiple locations, Shaw explained. AppTaps provides a one stop shop for access that allows for remote visibility through a software solution.

Through Net Optics' transition to software, its portfolio of products has grown to over 270 different product sets from which it can deliver solutions to its customers. The company takes a unique approach when it comes to meeting the needs of the client. "It is critical that our teams not only understand what the customer is looking for, but what the customer really requires to optimize their networks," Shaw said. The team will first meet with the customer to discuss the challenges the business faces on a daily basis. It can then suggest approaches, including novel, customized solutions the customer may never have thought of.

Net Optics has also taken a different approach to how it builds and packages its solutions, moving from an assembly line method to a cellular manufacturing model where the entire product is made by one team at one time, from design to assembly right up to putting it in a box and shipping it.

"We manage all bonds through an agile, PLM program," said Evan Spencer, Operations Engineer for Net Optics. "It takes considerable effort, but it gives the customers what they need. We want to be able to be flexible and offer a wide variety to satisfy our clients."

This approach has managed to shorten the company's production schedule from 21 days down to a little over two days, bringing inventory levels dramatically down as work flow increases and quality improves. More importantly, the method has freed up 38 to 40 percent of inventory costs, a substantial return that provides valuable flexible liquidity.

Providing such a tight window on return has led to some substantial clients, from HP to McAfee, who OEM Net Optics' products for their customers.

The company's services enabled Credit Suisse Group to improve network performance and data analysis within its data centers, according to Tarik Nasser, Global Equities Architect and Low-Latency Algorithmic Trading Infrastructure VP at Credit Suisse.

"This level of performance is what we need to ensure the integrity of our financial transactions as well as scale for growth. Net Optics solutions allow Credit Suisse's monitoring tools to handle more traffic, links, and protocols than was possible in the past," Nasser said. "Credit Suisse made its selection based on Net Optics' ability to deliver low latency performance, which is vital to the financial services industry, the high number of available ports, and the flexibility of the module base architecture."

> **"We're able to help companies scale by using the same tools they've already invested in."**
>
> BOB SHAW, CEO, NET OPTICS

Net Optics was first launched in 1996 by Eldad Matityahu as a producer of network taps to monitor network traffic and has grown to manufacture a much larger range of network visibility architecture. Launched through proceeds Matityahu earned from a previous frozen yogurt business, Net Optics is completely self-financed and has been profitable since its inception.

The speed of Net Optics' growth, quality of clients, and obvious industry value leave Shaw waking up many mornings convinced he has a billion dollar opportunity on his hands. He pointed out that the market for network packet brokers alone is $500 million, and Net Optics covers a much wider segment with a revolutionary approach. "This is a game changing technology," Shaw said. Plus, the company is able to operate at considerably high margins. Though Shaw was shy about stating a specific number, he allowed: "Consider that Cisco operates in the high 50s, and people think that's high. We're well beyond that."

What's next? "Growth, and by that we mean up and to the right," Shaw predicted. "We're going to continue to grow organically and sell more to customers in our established base, as well as increase our product offering."

Also on the radar screen are additional acquisitions, as well as ensuring the company has the talent to continue its trajectory. "We're continually recruiting top tier talent from folks like Apple, EMC, Oracle, IBM, HP, all the big guys," Shaw said. "We're building a top of the line team, recruiting A quality people to deliver a technology that's transforming how companies approach their networks."

The company competes against Riverbed, a San Francisco company that specializes in networks and networked applications.

In 2012, Net Optics surpassed the $300 million revenue mark and continued its global expansion. The company also formed partnerships with ApliDigital in Brazil and RDT in the Middle East. The company is based in Santa Clara. RH

ASIA 100 TOP PICKS

ASIA 100: TOP PICKS

A Rising Sun

Some pessimists may say the Asian startup environment is cooling, but a look at the numbers indicates the difference in temperature is only a matter of relativity. China's growth slowed to 7.8 percent in 2012, its weakest growth in 13 years. Analysts predict what has become the world's second largest economy will achieve a growth rate around 8 percent this year, according to a recent Reuters analyst poll. Such growth rates that would be astonishing to achieve in the Americas or Europe are viewed as mere modest gains in Asia. Yet with more than 500 million people in the seven most promising countries just in the Southeast Asian region, the growth potential for the ecosystem is only beginning to bear fruit.

It is the very promise of growth that drives unprecedented change and innovation across the Asian continent. Industries continue to quickly expand as economic barriers drop. Some of the best examples can be seen in the Red Herring Class of Asia Top 100 2012. Companies doing $20 million, $30 million in sales are increasingly coming from areas like Saudi Arabia or Pakistan as more developing regions improve internet infrastructure and savvy startups utilize a simple text message to bridge the digital divide. It should come as no surprise that an increasing number of the Asia winners focus on cloud, even in the Middle East where connected infrastructure is relative. What has surprised the Red Herring, however, is the speed of these companies' adoption, achieving user growth rates that make Facebook's trajectory seem sluggish in retrospect.

Indeed, an era of global growth driven by Asian consumption has dawned. Rising incomes drive domestic consumption, fueling companies that owe their base to the Asian region. And venture capitalists are starting to see the light. As the funding emerges, innovation and solutions to infrastructure challenges grow and take root. And we are just beginning to see that bloom.

Due to space constraints, Red Herring limited its coverage of its class of Asian winners. Nonetheless, the unprecedented growth and development of this continent cannot be ignored. We handpicked a few of the best to showcase both the range and robustness of the winners. To anyone who claims the region trails behind the rest of the world, this pick of the crop is proof the continent is quickly catching up. The Red Herring Asia Top 100 represent more than just a selection of winners, but proof of one of the most powerful economic transformations in history. Take notice, and have a good read. RH

Java Gulf

Company: Java Gulf
URL: www.javaits.com
CEO: Bashar Baidas
Sector: Software
Country: Saudi Arabia
VC$: No

When Java Gulf launched almost three years ago with an initial investment of $800K, few would have bet on its startling success. Indeed, the Riyadh, Saudi Arabia-based startup faced three major obstacles. First, in the wake of the Shearson Lehman debacle and the global economic recession, the mere idea of a tech company serving large customers across the region could have been viewed as overly ambitious at best. Second, most of the worldwide giant service companies already held an established foothold with hundreds of employees in Saudi Arabia, Dubai and neighboring countries and did not feel the threat from an entrepreneurial endeavor. Third, although well oiled in major occidental countries, the concept of business integration, and soon SaaS implementation, had yet to be well implemented in the gulf.

Fast forward to 2012. Java Gulf has grown to 50 employees and maintains strong partnerships with IBM and SAP, which have contributed to explosive revenue growth. Crossing the $30 million mark in trailing sales and $10 million in revenue, the company is expanding at a brisk rate of 40 percent over the past 12 months and could even accelerate its expansion with further capital. It has completed 10 major projects with governments and the private sector with a strong footprint in the financial industries. It opened offices in Jordan and Egypt to tap into a large pool of local technical talent. Like its American predecessors, it has innovated its own methodology of providing solutions that supersede traditional system integration.

"When I was working with Logica and IBM, I saw the disconnect between business integration and system integration," says Bashar Baidas, Java Gulf's co-founder and CEO who started the company along with his brother Saeed Baidas and Dr. Salah Arradadi. "Success comes from anticipating how to migrate the data and make it purposeful for the decision makers who need information, not just raw data. More often than not, service companies view the world from their own priorities, from an IT perspective and rarely from users' underlying needs. We at Java Gulf provide answers that truly meet their expectations."

Such was the case of a pivotal health care project spearheaded by the Minister of Health of the Kingdom of Saudi Arabia, Dr. Abdullah bin Abdul Aziz Al Rabeeah. Given the country's nascent infrastructure and sizable population (29 million), sending patients to the right hospitals that had adequate resources in line with their ailments proved critical in optimizing the country's supply of doctors, surgery facilities, radiology equipment and other medical resources. If the necessary care was not close to the patient, the Health System would expedite the patient's transfer to a more suitable hospital, in some cases even marshaling a helicopter for emergency transportation. Yet mapping those needs and then matching them with the necessary resources in every medical situation in a country with 255 public hospitals presented a formidable challenge.

The Ministry worked with a number of international integrations that failed to deliver. Java Gulf stepped in with a system fully embedded in other Ministry of Health systems. The company implemented the point-to-point workflow solution in record time throughout all public hospitals in Saudi Arabia, involving more than 800 users. "We exceeded the Ministry's objectives," Baidas said. "It was later described as one of the most successful projects in the history of the Ministry."

What's next? The company is expanding into SaaS, a valuable proposition in countries and regions where technology's cost of ownership can be a barrier to success. It has assembled a new structure and enrolled the participation of a legendary entrepreneur and industry icon from the '90s.

In its other services, the pipeline is unbelievable, according to Wissam Abu-Taha, Java Gulf's executive director. Its average project size augmenting at a fast clip, Java Gulf expects to triple its revenues in both 2013 and 2014. "We are now competing with major international companies and winning our fair share," he said. "Clients are now calling from other parts of the region, including Turkey, Bahrain and even North Africa (Tunisia or Algeria), where cultural similarities lend Java Gulf an added layer of credibility."

So far, Java Gulf's road map seems well designed, and the company has made great progress on its journey. The company's first step was signing a well known international powerhouse as a business partner to leverage on its know how. Subcontracting on Java Gulf projects, SAP and IBM Global Services today provide the Saudi-based startup ample access to the best practices and latest ideas in the ecosystem. The company's next step is expanding its offices in Egypt and Jordan where technical talent costs 30 to 35 percent less than in Saudi Arabia. It is actively hiring the best university and computing engineers and academics from the surrounding countries to elevate its talent pool.

"We are cost conscious, and we build up teams as we sign up projects. That is why we have managed our expansion," Baidas said. "Our personnel costs average 25 percent of revenues, a far cry from our competitors."

Nevertheless, after a modest early stage investment, the company's management is considering a capital injection from the right sources. "Along with selecting the best projects, my biggest challenge is finding a way to balance growth and financing while emulating the best international practices," Baidas said.

But the gist of Java Gulf lies in its ambition to play a global role in the tech industry over time. Its founders view themselves as a model for the region with an approach that leaves no room for excuses. "In order to address our market, and prove that it can be done, we can only rely on our own merits and work," Baidas explains "We will become the bridge between the two worlds if we continue to deliver excellence." Once again, he has a point. The company is well poised to deliver meaningful technological innovation to the Gulf to become a symbol of a new era in the region. RH

M800

Company: M800
URL: www.m800400.com
CEO: Steven Yap
Sector: Telecommunications
Country : China
VC$: No

Connected to most of the major tier one mobile carriers around the world, M800 serves as a bridge to connect all major networks for mobile messaging, mobile communications systems and mobile data. Focused on developing its own core network, M800 utilizes its own technology to ensure that it has direct control over the quality and services of the network. "We bridge the international boundaries for all mobile phones and put it all on one platform," said Steven Yap, CEO of M800. The company provides voice communications and exchange, innovative international toll-free services, and mobile value-added services.

What's unique about the company is it does all the services itself, enabling international, toll-free calling, international voice exchange services, and for its Chinese customers, mobile commerce services, including click-to-call, wireless broadband, and advanced interactive services such as bookings and reservations, order confirmation, mobile payment options, message encryption, and the purchase and activation of mobile phone software. This allows it to deliver quality SMS services for large enterprise customers.

"Our secret sauce is the technology we have," Yap said. "Typically if you buy the system from a vendor, it takes a long time to change. We've developed our own routing engine, so we can modify it however we want. "

The company's core competency is its international voice exchange services that process more than 600 million services per month. Its resilient infrastructure brings high quality and reliable premium and roaming call routing and dedicated capacity to international operators, supporting processing speeds of less than 0.1 second while decreasing latency to microseconds. Its routing system was designed to handle more than 300,000 routes at the MSISDN, MSRN, and TLDN levels. It provides prefix routing support for provinces and cities with real-time network monitoring tools to ensure optimal traffic performance and cost. M800 supports toll free calling services across more than 100 countries, directly serving 1.3 billion potential customers in China through a unique partnership with China Mobile. The company also provides a short message service hub that supports two way messaging.

Connected to over 200 mobile carriers, M800 serves more than 300 enterprise customers, growing 50 percent on an annual basis. As its reach has expanded, the company has focused further on mobile apps to continue to maintain and grow high revenues.

"The company is in a high state of growth, yet there remains a lot on the network side to be done to ensure a robust system that continues to provide high quality," Yap said. "Moving ahead will depend on the new services we are able to offer in mobile applications."

At 900 million Asian subscribers, "we should have a significant growth in our subscriber base," Yap said. In the next three to five years, Yap expects the company to be earning nearly $1.3 billion in revenue.

Based in Hong Kong, the company was founded in 2007 by the Ganges Group to extend its telecommunication services to a global presence.

M800 is not Yap's first brush with success. With over 20 years of sales and operational experience in the telecom industry, Yap previously held a senior position at the the Nortel Networks Corporation and CITIC 1616 Holding Limited, a company listed on the Stock Exchange of Hong Kong Limited. Yet the CEO maintains the success of M800 was only possible due to the talents of his colleagues.

His co-founder Peter Chan brings a wealth of experience in international and Greater China telecommunication, which greatly helps the company maintain its multiple high-performance services in the region. Co-founder Raymond Cheung serves as Chief Executive of the company's China operation, bringing a wealth of over 20 years of sales and management experience on the TMT industry that helps drive the company's service strategies, technology development and China business operation.

"The success and credit of the company comes from the talent of our people," Yap said. "They're the ones that get things done."

Bootstrapped, the company is considering new funding to fuel its growth but has yet to reach a solid conclusion, Yap said. RH

Macrokiosk

Company: MacroKiosk
URL: www.macrokiosk.com
CEO: Kenny Goh
Sector: Telecommunications
Country: Malaysia
VC$: Yes

The sheer power of Macrokiosk lies in its "eTracker" network, which connected to over 60 mobile operators in over 13 countries, offers instant reach to over 2 billion mobile subscribers. The company provides valuable mobile services on multiple channels, namely SMS, MMS, WAP, Authentication and downloadable applications with the ability to provide over 300 SMS per second.

Moreover, the importance of Macrokiosk extends into a part of the world that has only begun technological development. The company reaches throughout Asia including Brunei, China, Hong Kong, Indonesia, Malaysia, Philippines, Singapore, Taiwan, Thailand, Vietnam, Australia and India. Macrokiosk enjoys a market that "grows as fast as technological innovation," explained Henry Goh, COO of Macrokiosk. With its current reach, the company easily faces close to a $10 billion market. As the company plans to soon extend into the Middle East and Indian subcontinent in the next two years, however, the possibilities extend even further.

"We're the only company in the world that offers that kind of connection," Goh said. "A lot of companies cannot go to these countries unless they have an easy route. Our single company can reach the whole of Asia with one solution."

The company's services are messaging, but its bread and butter is micropayments. Users can conveniently make mobile payments from their feature phone, and are then charged through the mobile provider on their phone bill, which then pays Macrokiosk and its clients.

Macrokiosk serves over 2,000 corporate customers spanning over 37 countries in 18 industries. The biggest include financial services, with 18 global banks using its platform for payments. It also serves social networks such as Facebook, gaming companies, mobile ticketing and booking companies, as well as handset manufactures. LG uses Macrokiosk for its mobile app store.

The company has come a long way since being founded by three brothers in 2000. It started out providing messages to pagers, and evolved its mobile messaging as the technology developed. In 2004, the company branched out into Singapore. Today, most of its services are focused in Malaysia.

Spending about 5 percent of revenues on development, the company's IP is continually evolving, featuring close to 24 different technologies. It averages about two to three major IP releases every year.

Since its beginnings, Macrokiosk has managed an impressive 30 to 40 percent annual growth. After earning about $40 million in 2011 and $50 million in 2012, it plans to earn about $60 million this year. Quite profitable, the company earns close to 5 percent in terms of net profitability ratio.

Macrokiosk has managed such success with $6 million in venture investment from Goldis, a private equity company based in Malaysia. It seeks additional strategic investors to continue its growth trajectory.

Goh envisions Macrokiosk as a global payments alternative to VISA, Mastercard and PayPal. While it competes against other micro payments providers such as Square and Google Wallet, these companies don't have the same Asian reach as Macrokiosk, nor offer an easy payments solution that's compatible with the feature phone.

Ultimately, the potential of Macrokiosk is a billion dollar company, a goal Goh sees as achievable in the next five years. He expects the company to reach critical mass in the next two years. As Macrokiosk becomes the accepted standard, the rest of the Asian continent will follow, if not the rest of the world.

Headquartered in China, the company has offices in India, Indonesia, Malaysia, the Philippines, Taiwan, Thailand, and Vietnam. RH

Pring

Company:	Pring
URL:	www.pringit.com
CEO:	Syed Muqtaza Shah
Sector:	Social Media
Country:	Pakistan
VC$:	Yes

In rural Pakistan, a country where few have broadband access and schools provide only rudimentary education due to scarce resources, students are tutored by remote professors through the simple text of a feature phone. A number of these students have passed entrance exams to get into universities and medical schools, and a few have become doctors, despite coming from poor rural regions with dismal means.

Yet even in the poorest regions, nearly every family owns at least one basic feature phone. Through SMS, Pring strives to connect this demographic to the world of the web. Rather than the world's 2.5 billion traditional Internet users, Pring aims to reach out to the 6 billion people who only use a basic feature phone, which its CEO Muqtaza Shah calls "one of the biggest opportunities on the planet." Currently focused solely on Pakistan, Pring has grown in two years to become four times bigger than Twitter in Pakistan, and will soon eclipse Facebook in the region as well.

"We are bridging the digital apartheid in our country and closing the gap," Shah said. The company complements services like Twitter and Facebook by connecting them to a feature phone, but will soon overshadow these companies in Pakistan.

The fastest growing social network in Pakistan, today reaches more than 4.5 million users, and aspires to hit 15 million by 2013.

Leveraging that much traction in the sixth largest country in the world by population, Pring has access to a regional market for which brands are willing to pay a handsome price. Since the company pays for every SMS message (users are charged a small fraction of a cent fee for outgoing messages), earning revenue from the beginning was crucial, Shah explained. Today, the company serves more than 200 brands, including P&G, Pampers and Head & Shoulders. Coca-cola has made Pring its primary social media platform in Pakistan.

Granted, the Internet access Pring provides through SMS is rudimentary, obviously with no audio or video capabilities, but that doesn't stop brands from building a rich advertising platform on the medium of a feature phone. McDonalds can provide users special coupons which can be redeemed at the store by showing the phone, which can then be tabulated by the restaurant to provide analytics. As most feature phones are prepaid, users can use their phones to pay for merchandise. Plus, users can follow brands and deals, similar to Facebook, simply by putting the required hashtag into their phone, allowing brands to create rich social media campaigns to interact with the most rural areas of the world, all through a simple text message. As the company builds anonymous profiles on its users, it can deliver contextual ads uniquely targeted to that user.

Levis Jeans used mCoupons to increase sales by 40 percent. Nokia, which had just under 320,000 fans on Twitter worldwide, achieved 907,694 fans in Pakistan alone through Pring. Sprite ran a social media campaign to connect 500,000 cricket players from over 700 neighborhoods to play cricket matches through intramural teams coached by professional cricket players.

The company also offers TCS Connect, Pakistan's premier e-marketplace. Users view products they wish to buy on their mobile phone, ordering the items by entering the company's hashtag. The goods are then delivered to the individual's home, quite a valuable service in a rural country where specialty items are difficult to attain.

Pring also works to provide readers social media tools to comment and interact with physically printed magazines. From their mobile phone, they can post comments, share stories with friends, and partake in polls. Pring also makes an ideal survey tool. An early survey conducted by the company reached 30,000 people, including 6,000 responses in the first three hours it was posted.

Pring fueled a grass roots effort to gain third party politician Imran Khan 850,000 followers, blowing away the third party politician's expectations of 18,000 followers he estimated based on previous Twitter campaigns.

With a protocol based on HTML, Pring is easily adaptable to developers who wish to build their own tools on the system.

Pring is more than just a social media tool, but an entire "ecosystem," describes Shah, one the company hopes will benefit more than just brands and politicians. The platform is used by D-Study, a community of students and professors on Pring that give lectures, answer questions, and help students in rural areas prepare for university entrance examinations. Hospitals and doctors can use Pring, with their patients' permission, to provide details of tests and diagnoses, very helpful in a rural country with poor roads where a medical trip can mean a journey of a day or longer.

In a country were 54 percent of the population is under the age of 25 living in a region central to the War on Terror, providing that access to health and education is crucial, said Zibber Mohiuddin, Chairman of Pring. While brands help pay the bills, Pring is more than just about brand awareness, but actually making a better Pakistan and ultimately a better world.

"We are creating a better Pakistan one Pring at a time," Mohiuddin said. "We are trying to achieve a socially empowered developed world for those countries left behind the the digital apartheid. If we don't provide education, health and social connection to this part of the population, we will be living much different world a decade from now."

Pring aspires to move onto the rest of the developed world, most likely by following the needs of its customers. The company has regular conversations with Coke about how soon it will reach beyond Pakistan's borders. Owned by Pan Asian Group, the company has raised $3 million in investment from the holding group as well as its founders. It may soon seek another round to fuel its global expansion.

At more than 6 billion mobile phone users, Pring faces a market that is nearly three times the size of the broadband world. Its revenue grows 30 to 40 percent per month, which will only spiral as the company steps beyond Pakistan's borders. As incredible as it may be, Pring's story has only just begun.

Red Micro Wire

Company: Red Micro Wire
URL: www.redmicrowire.com
CEO: Shimon Dahan
Sector: Consumer Electronics
Country: Singapore
VC$: Yes

Micro wire bonding is the process of welding thin wire to the semiconductor chip to connect to the chip's packaging. Traditionally, gold and aluminum have been used to make the connection, but the high prices of these materials, particularly gold which has quintupled in the last four years, have caused many manufacturers to transition to copper. The market for copper wire is expected to double in the next three years. Yet while copper provides a more affordable cost, its inherent characteristics create challenges that the industry must manage or overcome. Copper tends to corrode when exposed to the open air and as a result the wire must be handled in a special environment and has a limited life span. Copper is also a harder than gold which means that it is more difficult to use effectively. Overcoming the limitations of the price of gold and the challenges of using copper are what sets the Red Micro Wire solution apart from all other existing bonding solutions.

Red Micro Wire has developed a process to make a glass coated copper wire that is soft and can be produced at very narrow diameters. The wire effectively "does better than gold," stated CEO Shimon Dahan. "We provide the reliability of gold at the cost of copper. There is no product like this, and the market demands it. This is very big technology that will be relevant for the next 20 to 40 years."

Red Micro Wire's wire is .7 times the cost of CuPd, compared to copper's .5 times the cost of CuPD and aluminum's 7 times the cost of CuPd. The glass pulling method of the wire enables a smaller diameter of .15 mm, compared to copper and aluminum's .6 mm. For a low cost, the company's wire provides high reliability without the corrosion or hardness difficulties. The company aims to replace the CuPd and very expensive gold wire.

"The revolution is we provide a wire that transcends current wire limitations," Dahan said. "This will allow for the production of more elaborate products at a lower cost, enabling people to create technology that's never been done before."

The semiconductor market for the micro wire itself is $5 billion. Though the product is not yet in production, Dahan has already had considerable interest from several billion dollar tier one semiconductor equipment manufacturers and tier two LED manufacturers. "They say, 'Please give us your wire the moment you are confident in it,'" Dahan said. "When I show them the wire, they say, 'Wow, this is the product we've been looking for.'"

Yet Dahan won't release the wire until it is 100 percent sound, and the engineers are still working out a few bugs. He expects to provide samples to test and qualify in the next two months. He expects to have technical acceptance of the wire by February of 2013, with early production and sales by the first quarter of 2013. The company expects revenues of $24 million by 2013, $60 million by 2014, $100 million by 2015, and $150 million b y 2015.

Founded in 2011, Red Micro Wire is backed by their parent company Red Equipment, a well-established semiconductor solutions provider with $50M sales in 2011. Red is headquartered in Singapore, and has teams of experts and operation centers spanning three continents. Dahan is considering a Series A investment to take the company to the next level of market.

With over 25 years of experience in a number of executive positions for semiconductor companies, Dahan is no stranger to the industry. He served as Senior VP of Worldwide Operations at TowerJazz Semiconductor, and was responsible for manufacturing, purchasing, test, facilities, IT and quality assurance. He has also worked in a variety of consulting positions advising technology startups.

The global nature of Red Micro Wire has kept Dahan hopping planes all over the globe. Headquartered in Singapore, the company has R&D efforts in Israel for the high skill level of the region's engineers and in Singapore for the region's access to the semiconductor packaging market. It has sales efforts in Japan, Taiwan, Germany and California. Dahan has spent the last several months traveling the world to talk with semiconductor manufacturers about their needs and how Red Micro Wire's technology can help.

"There's huge global demand for this technology, and its growing at a fast pace," Dahan said. "This technology is creating a lot of interest. It's a huge opportunity for us."

Reve Systems

Company: Reve Systems
URL: www.revesoft.com
CEO: Rezaul Hassan
Sector: Telecommunications
Country: Singapore
VC$: No

At currently about 150 million subscribers, the global Voice over IP (VoIP) market is expected to grow to 1 billion users by 2015 to become a $60 billion to $120 billion market. Between 2010 to 2015 the rates of the VoIP market are predicted to grow by an astounding 1,075 percent as more people turn to the web to power their mobile long distance calling needs for much lower costs.

Yet the internet telephony market is also a crowded market, one in which Reve Systems hopes to differentiate. It does so through simplicity that provides an easy to use solution for both the end user and the service provider. Reve Systems offers VoIP services specially designed to be used at a low bandwidth suitable for 2G to 3G networks, which is critical in many parts of Asia, Africa and South America. Plus, it provides an end to end solution that is easy to set up for immediate use. With all infrastructure provided in the cloud, service providers are free to concentrate only on marketing and acquiring customers, as the engine of the service is provided and maintained for them in a simple interface. Customers use it like any other phone.

"We make it simple to use for everyone, from my grandmother who is very low tech right up to the standpoint of the service provider," said M. Rezaul Hassan, CEO of Reve Systems. "We made it so simple a college drop out could set up and manage the service, despite this being a highly technical business."

While many providers enable VoIP only for the iOS or Android, Reve Systems also specializes in a variety of mobile phones in the $100 to $200 range, extending its customer reach. Its services work on nearly any mobile phone and require low bandwidth, opening up the company's market potential.

The company currently serves over 1,800 service providers, adding about 40 every month. It services are used by 70 million to 80 million end users in over 70 countries. It has high traction in Asia and the Middle East, and a fair presence in North America, Europe and Africa. It plans to soon extend to South America and Australia. Because of its broad phone base that requires less infrastructure, the company can serve a wider base than traditional VoIP providers that require greater bandwidth.

Founded in 2003, Reve Systems began by offering a billing product for VoIP providers, adding a number of services over the years. In 2007, it offered its mobile VoIP package, a product which quickly gave the company considerable traction. It initially offered an alpha version of the service to about five providers who shared enthusiasm for its potential and helped to invest in the product. Within six months, it had a few hundred customers on the platform, adding a few hundred in 2008 and growing to 5000 by 2009.

Growing at 75 to 100 percent for the last couple of years, the company earned about $12 million in 2012 and expects to earn $20 million in 2013. Expanding in line with the fast pace of the VoIP market, Hassan expects Reve Systems to be earning over $1 billion in the next five to 10 years. It has been profitable since its beginning, earning a margin that is "quite comfortable," Hassan stated.

Funded through an undisclosed amount of private investment from the founders, the company will likely soon seek a venture round to fuel its growth and expansion.

"This can be absolutely transformative in how society communicates," said Sanjit Chatterjee, Director of Global Marketing for Reve Systems. "Our services are uniquely positioned to cover huge populations in Africa, Asia and South America. If we can do that, we will help this population close the digital divide as it contributes to a global economy."

TutorGroup

Company: TutorGroup
URL: www.tutor-group.com
CEO: Eric Yang
Sector: Cloud Computing (SaaS, PaaS, etc.)
Country: Taiwan
VC$: Yes

Under the traditional language education paradigm, teachers are a finite resource. Students must schedule their lessons around the teacher and the classroom, which often proves difficult to balance with busy professional and family schedules. Plus, real estate gets expensive in highly populated cities, making the traditional brick and mortar classroom a costly line item for any language night school.

TutorGroup turns the teacher and traditional classroom model on its head by making teachers an unlimited resource. The company provides live, online language instruction with a virtually unlimited resource of instructors, offering language classes in real time, anytime, through one-on-one, interactive instruction anywhere on the planet. Its launched services on the Android and iPad, with plans to focus this next year on mobile.

"Whether they've got time in the afternoon or just got off the grave yard shift at 3 a.m., our students are able to take a class to learn a language," said Eric Yang, CEO of TutorGroup. "Through our system, we hire globally, so teachers are an unlimited resource."

The company specializes in teaching English, primarily to its Asian base, as well as Chinese, which is popular among students in the US, Europe, India, and other areas of the Middle East. It has plans to eventually add Japanese and Spanish. It has teachers located in over 30 countries across all time zones who teach online out of their homes. Headquartered in Shanghai, TutorGroup has clients are spread across more than 16 countries. It serves over 1 million students with a healthy growth rate, thanks to consistently high demand for English classes. It saw a 400 percent increase in its Chinese student base last year. The company provides roughly 3 million classes per year.

A high attention is paid to quality, mainly by putting the students in the grading seat. After each session, students are asked to rate the teacher, whose pay is then based on the quality of the grade. Teachers who do not perform are sifted out of the program. On a scale of 1 to 10, the average teacher grade manages to be just under 9. The school has received over 1.5 million compliments from students on its teaching, roughly half of all classes it teaches.

Not only does the school provide quality teachers, but it delivers the right teacher for each student, Yang said. The company's patented Dynamic Course Generation System works to assign preferred teachers, based on the students' tastes and learning interests.

Started originally as a brick and mortar language school in the late '90s, TutorGroup went virtual out of convenience and necessity. It had already begun transferring to an online model when the SARS virus broke out in Asia in 2003, which pushed the school to rapidly adopt the online model. "When the SARS scare was over, most of our students didn't want to come back to the classroom, so we switched to offering online classes only," Yang said. Within six months, the company earned $1 million in revenue. Growth has taken off ever since.

Not paying for traditional classrooms frees up the company's bottom line considerably. TutorGroup operates on a gross profit margin of 85 percent, more than twice the 40 percent profit margins of traditional schools, Yang said. Plus it makes it easier to educate in the face of calamity. When two typhoons hit Shanghai and Taipei on the same day last year, flooding roads and closing most schools, TutorGroup's da ily sessions hit a record high.

TutorGroup relies on both B2C and B2B models for revenue generation. Primarily working adults, B2C students purchase a term subscription, typically one to two years in length and often on a monthly installment plan via a credit card. Depending on both the length and number of classes purchased, the average subscription fee is $20 per hour. The company also provides B2B learning packages to employees of major corporations, including HSBC, McDonald's, FOXCONN.

The company faces competition from several online instructors, but none offer live teaching sessions like TutorGroup, and instead primarily "offer web 1.0, self-paced video instruction classes with little student-teacher collaboration," Yang said. While many smaller teaching outfits provide services over Skype, TutorGroup has created its own platform from the outset. This allows for real time monitoring of student progress and class quality not available through Skype. Plus, TutorGroup's classroom interface is specifically built for teaching, and includes hotkeys, interactive whiteboard, among other proprietary features that are designed to enhance the learning experience. The company also offers a vast online library of over 16,000 materials of course content created in-house, with lessons assigned to the student based on a variety of criteria. Recordings of live classes generate additional revenue when accessed.

Though Yang declined to discuss revenues, he allowed that the company plans to soon IPO, possibly within the next year. It broke even in 2009 and has been profitable ever since. The company earned close to 20 percent net profit in 2012.

TutorGroup has raised $15 million in venture funding from QiMing Venture Capital, CyberAgent, and JAIC. RH

YemenSoft

Company:	YemenSoft
URL:	www.yemensoft.net
CEO:	Ali Alyousefi
Sector:	Software
Country:	Yemen
VC$:	No

When YemenSoft first launched in the Gulf in the early 90s, computers in the region were used primarily for publishing and word processing. The number of big companies that offered financial services from abroad to the region could be counted on one hand. Specializing in integrated software solutions, YemenSoft has helped to change that, offering a local solution for business planning and financial management. The company was one of the first in the region to provide a complete fully functional software financial package downloadable for free. Today, several universities and professional institutes provide training classes on its software products as part of their curriculum. The company currently holds over 60 percent market share in its home market.

The company's robust flexible user-friendly ERP solutions enable organizations to meet local and industry goals based on related international standards, methodologies and best practices. It provides integrated software solutions, designed specifically with local market needs in mind, for planning and resource management in order to optimize work performance, business growth, and the transition to international markets. It offers different product levels with easy migration paths, and backs its services with 24/7 customer service and support.

"What makes YemenSoft stand out is the way we work and do business," said Ali Abdulhafeez Al-Yousifi, General Manager of YemenSoft. "It is the synergy and coherence of our work teams when it comes to business ethics and practices. Our team doesn't just know; they believe in what they do. In every opportunity we pursue, our goal is of course to make a profitable sale but this goal has to be in line with our number one sales objective: to make every customer story a success story. Otherwise, we move on."

And if their customers are not successful, YemenSoft offers a full refund, though no customer yet has asked for their money back. "We take it one customer story at a time," Al-Yousifi said.

Part of the success comes in the company's speed to implementation. The company is able to implement world class ERP systems complete with multi-local and language support at a faster time than the industry standard, a duration overrun of 22.2 percent compared to the industry standard of 30.4 percent. This not only lowers implementation costs but provides a smoother, seamless transition to the new system, a considerable advantage in making the transition, Al-Yousifi explained.

Based in Yemen, the company serves the Middle East and North African regions, including the GCC, Levant, North and East African regions. YemenSoft today serves over 10,000 customers, adding about 1,000 per year for the last three years. "In the past few years, we have been able to penetrate the market and establish a noticeable presence," Al-Yousifi said. The company was selected as the sole software vendor for GTZ projects in Yemen. "We are planning to build on this GTZ and confidence in our solutions and try to expand to win GTZ projects in regions where we have market presence," Al-Yousifi added. It was selected by the Ministry of Finance, The World Bank , and UNDP to implement the largest Financial Management Accounting and Information project in Yemen.

The company competes against Oracle, FreeBalance, and NetSuite. As Al-Yousifi explained, most of its customers are either large international software solution providers or software providers local to their markets. Large international players lack local marketing expertise and do not offer the same personal touch, he said. Local competitors, on the other hand, tend not to develop solutions based on international standards and best business practices, fitting instead local market needs with solutions that lack the flexibility needed to compete in international markets. YemenSoft sits soundly in the middle through a local solution that follows international protocol.

It would take a competitor more than money to offer similar advantages, Al-Yousifi said.

"For a competitor to reach our market position, they will need to have the market experience we gained over the years, the synergized teams, the loyalty we have from our customers, the market share we established, the goodwill we built, and the mature well-built solutions we developed with years of relevant industry experience built into them," Al-Yousifi said.

The company has grown from earning revenues of $100,000 in its early days to over $9 million today. It expects to continue to grow at 30 percent annually for the next three to five years. And it has done it all with no outside funding.

Facing a $500 million market in the Middle East and Africa alone, the company has plenty of room to grow. YemenSoft also plans to soon extend into China and other South Asian markets for further growth potential. The ERP market in China alone is over $1 billion.

Most companies in the Middle East region have yet to implement ERP systems, and only 60 percent of companies around the world have established ERP systems, Al-Yousifi explained. Many of these are companies under $25 million, which makes solutions from Oracle, SAP and Microsoft too expensive. YemenSoft offers a unique solution to the region that can serve smaller markets much more cost effectively than the bigger players. RH

A Good Coach Also Listens

Net Optics CEO Bob Shaw discusses the importance of open communication to an organization, the strength found in coachability, and how honest feedback can drive team optimization.

Net Optics CEO Bob Shaw has a strong background in team building. Since joining the company as president in 2001, Shaw has helped lead it to consistent double digit growth with over 700 customers. Prior to Net Optics, Shaw held Senior Vice- President leadership positions in sales, marketing, and operations for the $1 billion business unit at RR Donnelley & Sons Company. *Red Herring* recently had a chance to sit down with Shaw and discuss the importance of leadership to an enterprise, the value of coachability, and the challenge of both hiring top talent and grooming it to success.

RH: What are the entrepreneurial lessons you've learned that are not taught in any university?

A: First, you need to repeat to remember. For the last six years, we have had four key initiatives- transparency, accountability, professional growth and personal development, and we repeat them at every leadership meeting. It takes constant repetition by the leadership to achieve the real value of an organization.

Secondly, everyone must be held accountable, starting with the CEO. We recently went through our leadership team and redid everybody's list of expectations and responsibilities. I have one. My marketing team has theirs. Everyone on the team has their own. It shows who's accountable, for what, and dictates every employee's responsibility.

The third key point is to set up impending events that allows the organization to visit and interact with the customer. This means bringing the customer into the company or sending the employee in a rental car or airplane to meet with the customer on their turf. It means visiting the data center at 3 a.m. to see what it's like. Personal, one-on-one interaction is key.

Leading well is easy to say, but hard to do. I travel a lot. How do you project leadership when you're not there? We have a leadership meeting every Tuesday. If I am not here, somebody is always assigned to lead the meeting anyway. That leader ends up running it, determining the agenda, and everyone knows to show up. Leadership needs to happen across all levels of the enterprise.

> "Once a company obtains a level of trust where even the CEO is open to constructive criticism, it identifies your blind spots."
>
> BOB SHAW, CEO, NET OPTICS

RH: You have often said, "I want to be more coachable." How important does listening play in the role of a CEO?

A: One of the most important pieces of effective leadership is getting feedback from the whole organization. Once a company obtains a level of trust where even the CEO is open to constructive criticism, it identifies your blind spots. Leaders think they don't have them, and they're terrible at finding blind spots themselves. Yet a CEO cannot anticipate every element involved. It is critical to establish a climate where employees aren't afraid to say what's on their minds. It is important to have many minds contributing to the conversation. In some cases, I may start off answering a question, and then turn to another team head to get their explanation. That way I am not just another talking head, but I am working with the consensus of the entire organization.

RH: What unique approach do you take when it comes to leadership?

Bob Shaw: CEO and "Coach" of Net Optics.

A: Some of our peers will laugh, but another thing we spend a lot of money on is an executive coach. It's someone we've used for years, and I now have her providing personal coaching to my direct people. Most of them have never dreamed they'd get personal, one-on-one advice from a professional Fortune 500 coach. Yet she understands our culture and can help us when we're stuck. She can also help us practice tough love. We've taken the concept of coachability to the entire leadership team for the last seven years.

RH: How do you balance finding the best talent with pushing the team to do their best?

A: We talk about this a lot. It's a delicate balance. If you hire folks that need no coaching or mentoring, they may not necessarily take you in the right direction. However, if you've hired people that take too much coaching and mentoring, you have hired B players. Most A players by their very nature will request and require feedback. Typically, A's want to add another experience or another lesson learned to their life's work. Part of succeeding is being open to suggestive criticism. Ideally, feedback is just another opportunity for excellence. RH