Indiana tech company awards show industry's growth

CHRIS O'MALLEY - Indianapolis Business Journal - Associated Press

There's the company founded by a college kid, in his dorm room.

Another company was launched by a guru from the shadowy world of cyber security.

And the other was founded by tech veterans old enough to remember IBM punch cards.

Three Indiana tech companies have surfaced among standouts in the notes of judges for TechPoint's annual Mira Awards — the Hoosier tech version of the Oscars.

Fishers-based BlueBridge Digital LLC, Lafayette-based Emerging Threats Pro LLC and Indianapolis-based Smarter Remarketer Inc. have recorded triple-digit growth. They've won national recognition.

They're among more than 100 Mira nominees in 12 categories who recently made presentations to judges, the Indianapolis Business Journal reported (http://bit.ly/WBmarF). While it's hard to handicap how they'll ultimately fare at the April 20 awards ceremony, the three provide a glimpse into the growing depth and diversity of the local tech industry.

Consider Smarter Remarketer. At first blush, it looks like another cookie-cutter in the crowded field of B2B marketing firms in the region, known best for publicly traded email marketer ExactTarget Inc.

But in two short years, Smarter has come up with a comprehensive platform that analyzes online shoppers' behavior and tries to get into their heads as to what they like and don't like. It allows a retailer's website to customize a presentation to a return shopper and figures out what marketing channel a retailer might use to best lure them back to the site.

Emerging Threats builds on a smaller local niche of tech firms here in cyber security. It was created two years ago out of a security community project begun a decade earlier. That led to a commercial product the company touts as the de facto standard for network-based malware threat detection.

Meanwhile, BlueBridge Digital is riding the crest of a growing mobile app genre. BlueBridge is focusing on B2B applications in markets including visitor-tourism, higher education and churches.

Unlike many app builders, the firm doesn't charge a one-time design fee to its

clients, which can run into thousands or tens of thousands of dollars. Rather, it has taken a model that offers services on a monthly subscription.

Founder Santiago Jaramillo said that allows BlueBridge to continually keep apps for customers up-to-date as technology and screen sizes of mobile devices evolve.

By offering mobile apps as a service to B2B customers, the company "claims to be a pioneer in the field and our judges think they are right," said TechPoint.

Among the target markets are visitor and convention bureaus, through its VisitApps.com website.

Clients include such organizations in places like Vallejo, Calif.; Gadsden, Ala.; and Indian River County in Florida.

The apps help steer visitors to local attractions and to businesses such as restaurants.

"We have plans for five more business unit verticals in the next year," said Jaramillo, 23.

In 1999, while he was a boy in his native Colombia, a guerrilla group took hostage about 100 members of his church. He and his father had skipped church that morning to build a tree house.

"That was one of the first times I had missed church in eight years," he said.

His father eventually moved the family to Florida, where Jaramillo didn't understand the English language his fellow classmates spoke.

Fast-forward to 2011. That's when he started the business out of his dorm room at Indiana Wesleyan University. One early app, for Indiana Wesleyan's athletic department, allows fans to watch athletic events from their smartphones.

A number of other projects followed, including four apps to be used for visitors to Super Bowl XLVI in Indianapolis. His company also put together apps for Indiana visitor and convention bureaus in such locales as Kokomo and Grant County.

Before long, the fledgling firm had generated $100,000 in revenue, which he reinvested into the company. He lassoed another $23,000 in funding after winning the 2012 Taylor University business plan competition.

The firm now has 10 employees and is based out of the Launch Fishers business incubator. Revenue in 2013 is projected to be "well into the seven figures," Jaramillo said.

"It's crazy. It sounds like I'm making up numbers," he added, almost incredulous, himself, about the firm's trajectory.

With talented app builders on board, the challenge is not so much the technology as it is marketing the firm's offerings to clients ranging from visitors associations to colleges to churches. Previously, Jaramillo had worked a stint with ExactTarget's product marketing team, which he described as "world class."

"I have unashamedly taken a play out of their playbook," he said.

Emerging Threats in Lafayette didn't start out as a company, per se. And its name evolved like a 1980s hair band.

First it was called "Bleeding Snort" and then "Bleeding Threats." It was the brainchild not of Sid Vicious but of Matt Jonkman, a rock star in the world of network security.

Back in 2003, Jonkman founded an open-source community — a project dedicated to collecting a database of threats and rules so networks could fend off the increasingly sophisticated malware attacks on their platforms.

The database got the attention of the Army Research Office and the National Science Foundation, which in 2008 provided grants to further Emerging's work.

Just over two years ago, Jonkman — the chief technology officer — launched a commercial version of Emerging's rule set — ETProRuleset. The product is updated an average of 20 to 30 times a day. It targets malware, worms, trojans and the like.

"We actually run (malware) — all of the things you're never supposed to do," said CEO Ken Gramley.

If the company's intrusion-detection system doesn't catch the threats, it writes new solutions.

So far, Emerging Threats has about 300 customers he declined to identify, including government agencies and universities. "Our pipeline right now is phenomenal."

About six months ago, the company launched another commercial product, IQRisk Suite, which essentially compiles information on the reputation of various websites for the risk they pose. It has around 100 million malicious Internet protocol addresses and domain names on file and offers it through a subscription or on a query basis.

"That's very helpful if you're a security engineer," Gramley said.

To fund its expansion, Emerging Threats in January received an initial round of funding totaling more than $1 million from Elevate Ventures, HALO Capital Group and Lawrence Ventures.

It has 15 full-time employees.

"I'm hoping to bring on 20 more people this year," Gramley said.

The company does not disclose revenue, but "we're going to grow by a factor of four or five this year," he added.

Emerging continues to maintain its open-source community project, which has more than 200,000 active users. The exchange is free, but participants are asked to share new threats with the community.

Emerging Threats may not be sizzling on the tech stage like the latest social media company but, says Gramley, "We're making an impact toward stopping bad guys from doing bad things."

One reason Indianapolis' Smarter Remarketer is on the radar of Mira judges is its fast new product growth within just two years of its founding — including four innovations last year.

With more than 70 retailers already under contract, Smarter Remarketer focuses on the $9 billion in abandoned shopping cart purchases on e-commerce sites.

Its analytics help retailers determine why a customer leaves the cart and then figure out how to spur him to come back to the site later.

Online retailers spend big money on luring shoppers to their Web stores, but most who visit leave without buying anything.

Maybe the customer ran into issues with a retailer's payment system, for example. Using Smarter's analytics, that retailer might conclude the best solution is to send the shopper an e-mail encouraging him to call a toll-free number for individual help.

Or perhaps that customer would respond to an e-mail that provides an incentive to come back to the site.

One of the company's big weapons: "We have a tremendous amount of (customer) behavioral data," said CEO Howard Bates, who was co-founder of software firm Haverstick Consulting in Carmel.

In fact, it can take terabytes of customer data to populate a retail website with personalized layouts, or send e-mails based on a customer's behavior at any given moment.

Lest one think that knowing too much about a customer's browsing habits is a bit intrusive, Bates adds: "It's a way for us and the retailer to respect the customer."

For example, what does a shopper tend to look at when on a retailer's site? Knowing that can allow the retailer to present a more personalized offering the next time that shopper visits.

There are a number of marketing intelligence and automation products out there, but many are individual tools that don't sync well or don't present a real picture of a

shopper, said Angel Morales, chief innovation officer.

"There's a big hole in the market," said Morales, a local tech entrepreneur who co-founded the company with data mining expert Dean Abbott.

Smarter Remarketer claims it tops competitors with a broader suite — with tools such as intelligent visitor segmentation analytics, website optimization, and triggered and automated e-mail marketing.

Another important part of the sauce has been making data simple and easy for retailers to use, said Bates.

Clients include Finish Line, Shoe Carnival and SkyMall.

Among Finish Line's uses for Smarter Remarketer was showcasing a product a visitor was most likely to have bought, along with other products that customer abandoned in his cart last time around.

Smarter Remarketer said it has raised more than $3 million from investors in recent years and employs 20 people at its offices at 91st and Meridian streets.

It doesn't disclose annual revenue but said it zoomed 342 percent last time around.

Smarter is "truly a shining example of the kind of marketing technology coming out of Indiana that is not just good for Indiana but revolutionary for marketing tech, period," TechPoint wrote of the company.

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