



Technology

It's bits
and bytes
that are fueling
business growth today,
and Connecticut's
burgeoning tech industry
is poised for expansion

By Christina H. Davis

It shouldn't be a surprise that there is a growing and vibrant technology sector in the state of Connecticut. Connecticut is, after all, the land of Yankee ingenuity, where numerous product innovations have been born, from Ely Whitney's cotton gin to the Frisbee, which was first produced by the Frisbie Pie Co. of Bridgeport in the 1800s.

Today, technology innovations are happening every day in the Nutmeg State, at large manufacturers like Stratford-based Sikorsky Aircraft or at small one- or two-person startups.

One of the stars of the state's technology sector that is looking to be the next big tech firm is New Haven-based SeeClickFix.

See something, say something

SeeClickFix was the brainchild of Ben Berkowitz, who found inspiration for the company in his desire to improve the New Haven community. The solution he came up with to drive community improvement was SeeClickFix, an online tool to help people report non-emergency issues. See some graffiti on your walk to work every day? Report it on SeeClickFix. What about a cracked sidewalk? Report that on SeeClickFix, too.

While the company's online tool was great for residents, it's also great for governments because it allows public works departments and other government agencies to keep track of and manage complaints and communicate with the public.

SeeClickFix started as a "nights and weekends project back in 2008," according to Berkowitz. Today, the company employs 21 people and it will break even this year, a big benchmark in the technology startup world. The company has enjoyed tremendous growth, with revenues more than doubling year-over-year.

As of March, the company had 180 city government clients or partners, including New Haven, Hartford, Enfield and Windsor in Connecticut. But SeeClickFix has already reached beyond Connecticut's borders to Massachusetts as well as overseas in places as far away as Australia and Malaysia.



SeeClickFix has a smartphone app that allows people to report problems like pot holes and graffiti to city hall.

The company financed its start through a variety of sources, including successfully securing support through several state programs.

One of the key programs SeeClickFix took advantage of was CTNext, which is an arm of the quasi-public Connecticut Innovations.

Through a contract partnership with CTNext, SeeClickFix will fund four "fellows" this year who will work for SeeClickFix.

Ben Berkowitz, founder of New Haven's SeeClickFix, says his company is a poster child for the new knowledge-based economy in Connecticut.

PHOTO/COURTESY

75 percent of a normal workweek, but then have the remainder of their time to use SeeClickFix's office and infrastructure to work on their own businesses during nights and weekends. The term of the fellowship is six months.

"We're getting a lot of work out of them and they're getting a lot of experience in growing a business," Berkowitz said.

In addition to the CTNext contract, SeeClickFix also secured a \$300,000 loan in fiscal year 2013 through the state's Small Business Express program at the state Department of Economic and Community Development (DECD).

That money, according to Greta Hotopp, the company's director of finance and operations, has helped drive growth at the firm.

"Without that money up front, we wouldn't have been able expand as quickly as we have," she said.

Another tech startup that's put roots down in the Nutmeg State is GoECart, which offers a fully integrated suite of ecommerce tools for online retailers.

Manish Chowdhary founded GoECart from his dorm room at the University of Bridgeport. He bootstrapped the business and has not accepted any venture capital, but has managed to grow the business and reach profitability. He now employs about 20 people and has plans to add six to 10 new staff members this year.

While Connecticut doesn't have the reputation of other tech hubs like Cambridge or Silicon Valley, Chowdhary said Connecticut's tech scene has improved since he started his business 14 years ago.

"I think I'm certainly seeing more entrepreneurial ventures happening in Connecticut," he said, adding that programs like CTNext are "propelling growth."

And Chowdhary hopes to take advantage of the state's increased support for small businesses. He has an application with the DECD pending.

Bruce Carlson, acting director of the Connecticut Technology

Council, said that Connecticut is well on its way to developing a strong cluster of software companies that can rival places like Silicon Valley. In particular he pointed to the strong cluster of software firms serving the insurance and financial services industry, including SS&C Technologies in Windsor as well as Glastonbury-based Open Solutions, which was acquired in 2013 by Minnesota-based Fiserv.

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Notable Tech Employers in Connecticut

Gartner Inc., Stamford

Priceline.com, Norwalk

SS&C Technologies, Windsor

TicketNetwork, South Windsor

Fiserv (formerly Open Solutions), Glastonbury

Tech Industry Stats

5,535

Number of tech companies in CT

\$6.1 billion

Total payroll for the CT tech industry

66,485

Jobs in the tech sector

\$92,176

Average wage in the CT tech industry

Source: TechAmerica Foundation Cyberstates Report

Telserv — Connecting business and community



Press Esc to exit

Telserv Founders (from left to right) Mike Piscitelli, Charlie Boyle, Bill Fellows, and Jim Colella.

Every road begins somewhere and at times the journey takes us far away from our point of origin. However, when roots are woven with community, purpose and connections, we always find our way home. Telserv, a thriving telecommunication company founded in 2001, has come a long way since its beginning and is incredibly proud to call Connecticut home.

Today, Telserv is a booming technology solution provider with 60 employees and a state-of-the-art data center at its home in Cromwell. Telserv designs and implements converged networks for small, medium and enterprise customers throughout the Northeast, boasting an enviable roster of clients, including Hartford Healthcare, Middlesex Hospital, Mohegan Sun, People's Bank, Pfizer, Purdue Pharma, University of Saint Joseph and Yale-New Haven Hospital.

Telserv's initial business plan originated out of the entrepreneurial spirit of four men, each one more passionate than the other about the promise of technology. Call it insight, intuition or really good strategic planning, these men came together to form

'Connecticut is the midpoint of our destiny, a place where chance and choice connect. We have rooted our business in Connecticut because this is our home.'

— JIM COLELLA, CEO OF TELESERV

a dream team of top professionals: Jim Colella, now CEO, came on board to manage sales; Bill Fellows and Mike Piscitelli signed on to lead the technology team; and Charlie Boyle handled the finances and operations.

"The key to our success is that all of us have a different skill set," states Piscitelli. Fellows adds, "Together we created an opportunity to highlight our skills and build a thriving business."

Great planning and timing are a

dynamic combination and at the start, the business climate was optimal for telecommunications companies. Distributorships were available, allowing for manufacturers' support. "It was the perfect storm," Piscitelli says of Telserv's beginnings.

Quick to spot opportunity, the Telserv founders noticed many of the larger companies were beginning to lose focus on their customers. "We knew we could do a better job ourselves," said



Fellows. "We had the talent and we knew it was important to connect and listen to our customers."

Focusing on this primal connection — a human touch — Telserv commenced operations with people in the forefront and the customer as their cornerstone. And it proved to be a successful formula for the Telserv team.

Telserv's customers are clear in their commitment and their voices echo satisfaction and loyalty. Lud Johnson, chief information officer at Middlesex Hospital realizes the magnitude of a dependable telecommunication company. "We see over 1.7 million patients a year and our networks span twenty different locations." "Every day we make thousands of calls and we have a lot of communication needs," emphasizes Johnson.

Providing services to the health care industry requires a highly specialized and responsive network team and in this way Telserv fits the bill. "Telserv is an honest, trusted, reliable provider. It is now over ten years; we have renewed each time and we have had great service," declares Johnson. For this reason, Middlesex Hospital is one of Telserv's best advocates. "I personally have recommended them to many clients; and everyone I have ever recommended them to has used them and has been very happy," states Johnson.

When it came time for University of Saint Joseph to identify a new telecommunication company, director of information technology, Jean Madden Hennessey reached out to a number of colleagues in the area. Reputation preceding, Telserv was recommended as a valued leader in the field; the one with the personal touch. "Telserv came in and understood us. They took the time to really learn what the needs were at the University of Saint Joseph and when they understood our environment they were always able to give us solutions based on our needs," boasts Madden.

Assistant director of technical services, Jesse Lunt is also impressed with Telserv's ability to connect. "We needed a vendor like Telserv based on their experience, their willingness to know us as a customer, their overall professionalism. They call us up to see how we are doing, and not a lot of companies do that," states Lunt.

Telserv is genuine in their values driven business approach and realize customer loyalty is about honesty and transparency. Focusing on people and connections, Telserv has transformed this

"Telserv's founders appreciate the privilege of their opportunities and are committed to their mission of being an eminent provider of technology services in the Northeast."

loyalty into advocacy producing long term relationships and high acclaim. "Telserv is an incredible company to work with," commends Lunt.

Foundations in place, the partners realize that the value of a company is based on people and made it a priority to always invest in employees as well as their customers. Inherent in the Telserv mission is a positive philosophy, a way of life, where employees enjoy coming to work. "We wanted to create a company where people were inspired to be the best they could be," said Colella. Successful in their objective, Telserv has been able to attract and retain top talent. "We have always surrounded ourselves with the best," Fellows said. Keeping these sentiments in mind, three key individuals were recently appointed to the senior management team: Doug Audrey, chief financial officer; John Beaulieu, vice president of sales; and Tim Warweg, vice president of operations.

Developing a well-qualified leadership team has enhanced the company's culture of excellence. In a synergistic union each man agrees people are the essence of Telserv. "Our customer come first, we start from there and we do the right thing," says Beaulieu.

Highlighting the value of Telserv staff, Tim Warweg states, "We trust our employees to make decisions and they deliver." CFO, Doug Audrey agrees with this people first approach, "We are rewarded with employee loyalty and results." The Telserv formula is making an impact from within and creating the links to community and future innovations for Connecticut.

Doing Business in Connecticut

Deciding on a business location is no easy task. However, the Telserv founders agree there is no place like home. "Connecticut is our midpoint of destiny, and we have rooted our business in Connecticut because this is our home," says Colella.

And as their midpoint, Connecticut has proven to be a place where chance and choice connect. "The State of Connecticut put programs into place to give businesses the opportunity to grow, create jobs, stimulate the economy and improve the quality of life for the people living in Connecticut," said Colella. As a result, Telserv was able to leverage business programs to receive grant money, low-interest loans and take advantage of tax credits.

"These opportunities gave us the fuel we need to build our business, purchase our facility in Cromwell, respond to the ever-changing technology needs of our customers and create a beautiful organization of people," Colella said. With new headquarters at 7 Progress Drive, Telserv continues to grow and generate productive and well-paying jobs for people living in the state.

Telserv's founders appreciate the privilege of their opportunities and are committed to their mission of being an eminent provider of technology services in the Northeast.

"We are very, very good at what we do," says Colella. This pledge translates to having the expertise and knowledge to design,

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INDUSTRY SPOTLIGHT >

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"There is a tremendous pent up opportunity for growth" in the tech sector, Carlson said.

The big guys

While GoECart and SeeClickFix aspire to be giants in the state's tech industry, they are following in the footsteps of others in the industry who have established themselves as leaders.

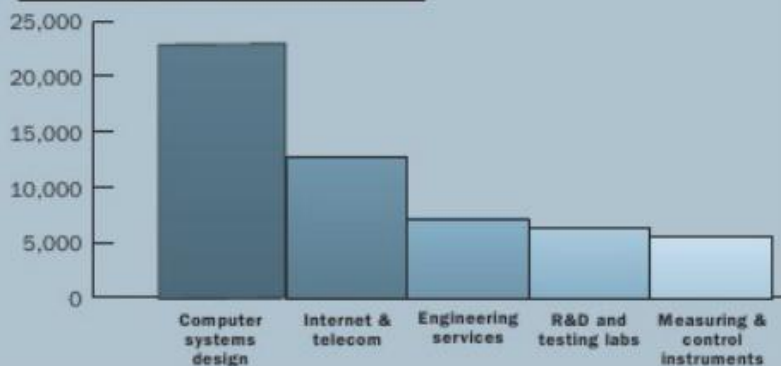
For example, there's Norwalk-based Priceline.com, an online site for booking travel deals, which has more than 400 employees in Connecticut. It was founded in 1998 at the start of the dot-com boom by Paul Walker and soon stood out due to its "name your own price" system of selling airline tickets, hotel rooms and other travel services. Priceline later became part of The Priceline Group, which has more than 9,000 employees spread all over the world, and includes other web properties such as Book.com, Kayak.com and Rentalcars.com.

Priceline's neighbor in Fairfield County is Gartner, a technology research powerhouse, with 1,900 employees at its corporate headquarters in Stamford and 6,000 employees globally. Gartner, which reported nearly \$1.8 billion in revenues in 2013, provides technolo-



Manish Chowdhary started his tech business, GoECart, from his dorm room at the University of Bridgeport. He plans to hire 10 employees in 2014.

Top tech jobs in Connecticut



Source: TechAmerica Foundation Cyberstates Report

gy research and consulting, helping businesses stay on top of ever-changing tech trends.

The reason why Stamford is an ideal location for Gartner's headquarters is the skilled workforce in the state, according to Christopher Lafond, the company's CFO.

"There's just an unbelievably high quality talent pool here," he said. "We hire a lot without having to spend money to relocate people here ... That's why we continue to feel like this is great place to be."

And Gartner is committed to Connecticut, as shown by its decision to renew the lease on its three-building headquarters, which also underwent a multi-million renovation. The space now includes more collaborative work areas, an updated cafeteria and a gym.

Venture capital funding is also flowing into the state's tech sector. The software sector in the state received a total of \$44.5 million in VC investment in 2013, according to the PricewaterhouseCooper's MoneyTree Report.

That's nearly double the \$23.6 million invested in that sector in 2012 and the highest level of support since the pre-Great Recession days of 2004. The state's IT services companies have also fared well, bringing in more than \$29 million in VC cash in 2013.

Alongside the state's VCs is often Connecticut Innovations, the quasi-public state agency that makes equity investments in Connecticut startups. CI will invest between \$500,000 to \$5 million in qualified startups and always partners with private venture capitalists.

"We do provide funding, but we also are

'There's just an unbelievably high quality talent pool here.'

— CHRISTOPHER LAFOND, CFO,
STAMFORD-BASED GARTNER

very focused on working with other private funding ventures," said Claire Leonardi, CI's CEO. "We are part of the catalyst."

Recently, CI has become more aggressive in its support of the state's startups.

"We are much larger than we were two years ago," she said. "We've more than doubled our investments."

In fact, CI is now the sixth most active seed/angel investor in the United States, according to Pitchbook, a private equity and venture capital database.

That influx of public capital in the private sector bodes well for the tech sector, according to Chowdhary of GoECart, because it will help fund the development of more world-class tech companies that attracts a world-class talent pool.

"The best way [to accomplish that] is to fuel the private sector to encourage more of these companies to build and grow here in Connecticut," he said. □