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Executive Summary

FASTech50, selected by VentureWire editors and an advisory board of seasoned venture capitalists, represents innovative start-ups across the technology industry that are developing data storage, cloud, social media, Web, software, healthcare and other technologies for consumers and enterprises.

What's Next?

John Burke, SVP & General Manager, Converged Experiences, Motorola Mobility wondered, "How do you get consumer acceptance of emerging technologies?" Companies like Motorola and Cisco have spent hundreds of millions on the consumer market, but the proverbial *Digital Home* is still not happening, as touted by vendors and expected by consumers, and only a tiny fraction of the populace have embraced it. Motorola is working with Verizon and other cable companies to target consumers in home safety and energy management. Motorola claims it offers an extensive and extensible (whatever they mean in this context) platform that offers a variety of functions. A year from now, it expects we will be looking at tablet TV.

Deep Nishar, SVP, Products & User Experience, LinkedIn, claims LinkedIn democratizes access to everyone. Social Media has matured (has it?), going from a hobby to a more professional environment. People are managing their careers and enterprises are looking into how they can reach their audiences. LinkedIn has 135 million members. Twitter is broadcast and LinkedIn works with twitter (although we find many bugs and drawbacks). We believe Facebook is your backyard barbeque, LinkedIn is your office, and twitter is your bar. If people didn't drink, they would be no bar; if they didn't tweet, there would be no twitter. We need to create right content for the right people. LinkedIn claims it takes user privacy seriously and believes in Three 'C's - Clarity, Consistency, and Control - and also realizes there is asymmetry in the world. We would say, "The world is not flat, it's spikey." Yet, an entrepreneur in Dublin, Ireland raised €250,000 using his LinkedIn network.

At the end of the day, vendors should be asking:

- Who is the user?
- Why would a user LOVE your product?
- How do you measure success?

One should beware PowerPoint can create massive distortions.

Shashi Seth, SVP, Search Products, Yahoo!, contended search has stayed pretty much the same, but the kind of content we search for has changed, which means there are more opportunities. He encouraged the audience to try Yahoo! Direct, supposedly a more refined search engine than Google. We DID, typed 'weather 95120' in the search box to find the current weather conditions in San José, CA, and found the results were no better than what we got with Google. A year from now, Yahoo! expects to see a very different search scenario, as mobile devices, tablets, and smartphones take off. In Indonesia, for instance, 80% of all searches are done on mobile devices.

Javier Soltero, CTO, SaaS and Application Services, VMware said VMware has acquired companies whose products will move up the software stack. Virtualization has already been embraced by the enterprise. VMware's challenge is, "How do we go beyond this, without using the word *Cloud*?" Traditional enterprise apps are a chore and boring. How can we improve the user experience? VMware's journey began with departmental virtualization; the real challenge now is in OpEx reduction. Just because you know how to virtualize doesn't mean you know how to use it. Security is a significant concern whether it's an external malicious attack or an internal employee-generated one.

What Corporations are Seeking...

- Luis Avila-Marco, EVP, Strategy and Corporate Development, Juniper Networks
- Barry Cottle, EVP & General Manager, EA Interactive
- Jean-Francois Van Kerckhove, Head of Corporate Strategy, eBay

The world is now DiMoLoSo – digital, mobile, local, social. It's hard to guess how this scenario is going to play out. Juniper has grown organically around JunOS with 35 million lines of code. The slowdown Juniper experienced a couple of years ago was just a pause and not permanent, similar to the post-Depression era, when some great American companies were created. Juniper had a solid product roadmap and was deciding between growing organically and making acquisitions. Juniper Ventures has invested \$50 million in 14 startups. There are many ways startups can succeed; going public is neither an only option nor the end of the world. EAI is betting heavily on massively multi-player online games and the associated issues with scalability and security.

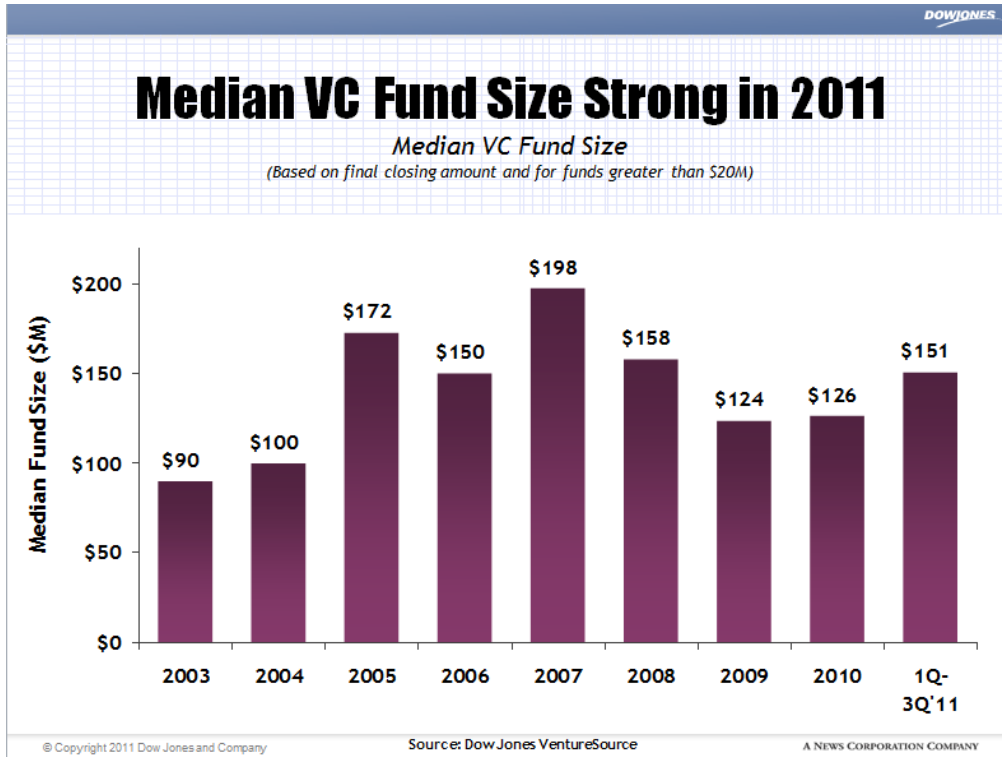
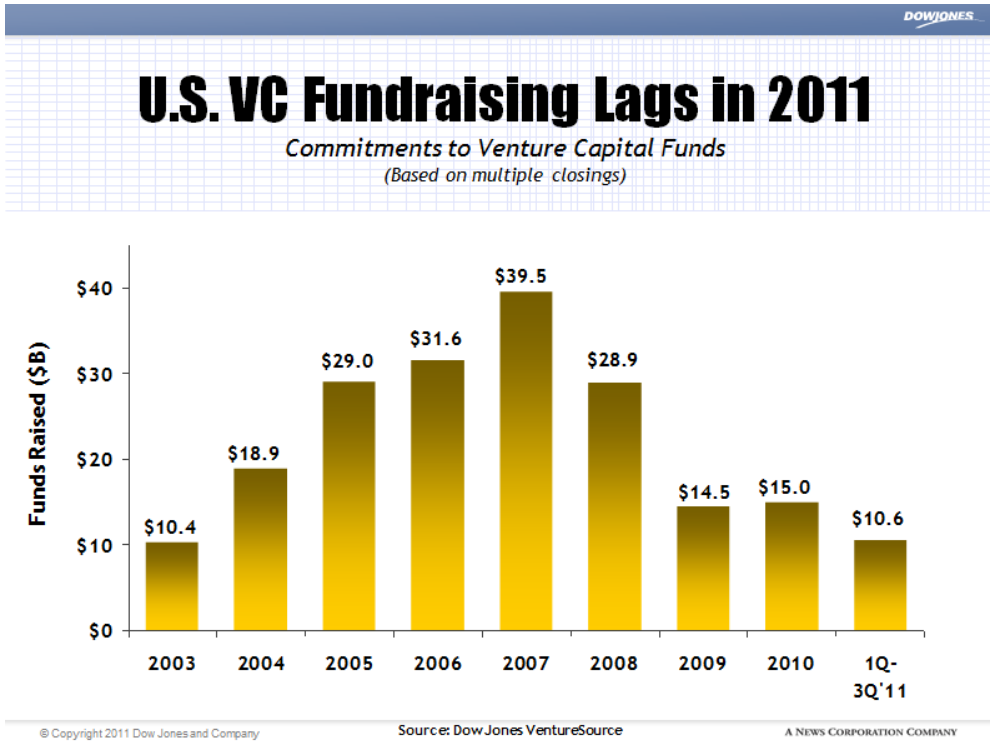
The Quest to Make the Enterprise More Intelligent

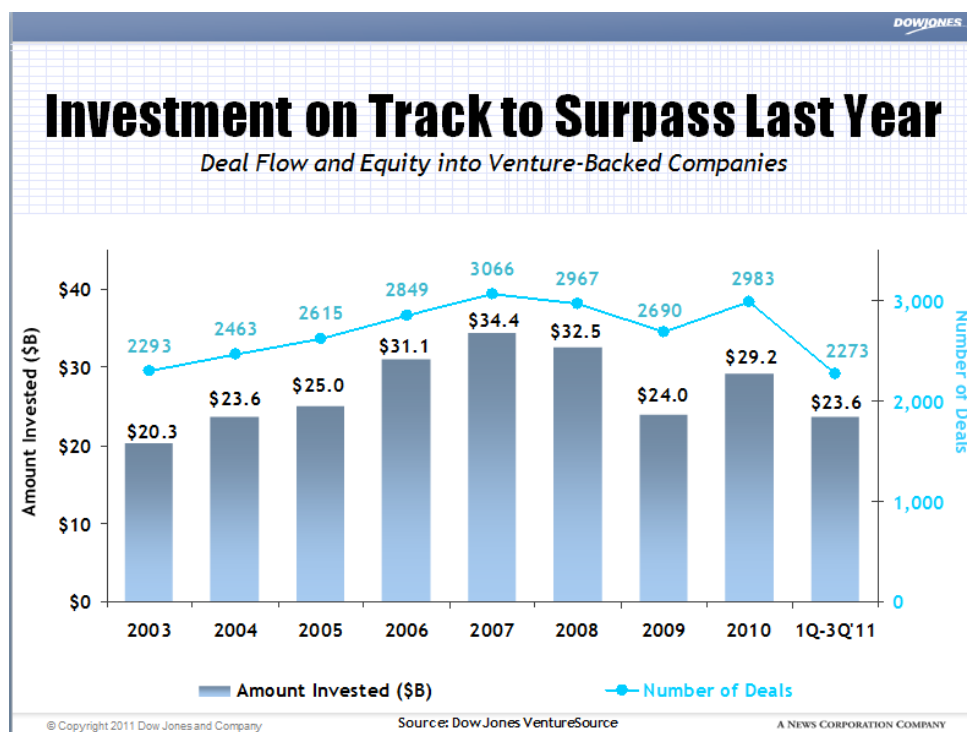
- Josh James, CEO & Founder, [Domo Technologies](#)
- Godfrey Sullivan, Chief Executive Officer, [Splunk](#)

Domo means 'thank you' in Japanese and its users are large enterprises that are not necessarily technical. Enterprise data and info are exploding. Most companies are sitting on tons of business intelligence (BI) information collected over decades, but don't know what to do with it. Big companies can't compete with the nimble ones and have poor service. Domo's goal is to turn BI from a cost center to a revenue generator. Similar to Domo, Splunk collects, indexes, and harnesses the massive volumes of valuable machine data generated by complex IT infrastructure, whether physical, virtual or in the cloud. One Taiwanese guy was regularly tracking his wife's movements all day with Splunk and Google Maps! Splunk has 450 employees and ~\$70 million revenue. It slogan is, "We take the SH out of IT."

Venture Capital Scenario in 2011

[Jessica Canning](#) of DowJones presented a cautiously optimistic view of VC funding in the U. S. As the following series of graphics show, compared to 2010, VC fundraising in 2011 lags; median VC fund size is strong; and investments are expected to surpass. There have been 11 IPOs and 150 acquisitions so far in 2011. Time for liquidity is almost seven years vis-à-vis two to three years during the dot-com boom. Are we about to hit a bubble? Jessica doesn't think so and says, "We are not in a bubble; bubble is when smart people stop thinking." But we have our doubts with the likes of Groupon, and many social networking and location-based software vendors. The market is too crowded and we feel a shakeout is inevitable.





Spotlight Companies

[Kiip Inc.](#) is a rewards network. It is a user-retention play. It reaches and rewards its 15+ million active game players who are hitting achievements across its network.

[SilverTail Systems](#) provides third-generation fraud prevention to defend websites against business logic abuse, and offers both on-premise and SaaS models. It has raised \$23 million, was cash positive in the first quarter, and has 52 employees, of which 8 are in Sales.

[Bump Technologies](#) lets iPhone and Android phone users use their mobile phones in an interactive way. The software monitors sensors on your phone and bumps with similar users so they can share something with a friend or someone they just met. It is the seventh most popular iPhone app. Another time-waster, IOHO.

[Aryaka](#)'s cloud-based WAN Optimization (WANO) and Application Acceleration provide enterprises a way to communicate, collaborate, and share applications and data across WANs. The traditional appliance model of WAN optimization was to deploy it on-premise. In the Aryaka model the intelligence is moved out into the secure Aryaka cloud. This allows enterprises simple and affordable secure access to data, resources, and applications for all their locations, regardless of geography and time zones. Aryaka's WAN Optimization service also enables acceleration for cloud-based applications, whether they are hosted on a public or private cloud infrastructure. The company claims it speeds up enterprise traffic and it is world's first WAN SaaS cloud-based company. The founder's previous company Speedera was acquired by Akamai.

How big is the WANO market? There are eight million branch offices in the U. S. alone that need optimization. "We are like Riverbed meets Akamai," said the CEO, who also acknowledges the WAN box business won't go away, but SaaS is the way to go. Bandwidth is plenty, but latency is hard to fix. Aryaka claims in a CDN world you have just local cache, but Aryaka is superset of CDNs. Aryaka

has a freemium model where customers can come to Aryaka website and try the product out before buying it.

[EnergyHub](#) is a platform for managing home energy usage. 80-90% of home thermostats in the U. S. are not programmed properly. An EnergyHub system creates a Home Area Network (HAN) by connecting a touchscreen home base, a wireless thermostat, and sockets and strips to monitor and control individual appliances.

[Nutanix](#) offers a radically simple compute and storage infrastructure for implementing enterprise-class virtualization without complex and expensive network storage, such as SAN or NAS. It is doing to storage what Hadoop is doing to database and making the storage virtual machine-aware. This is the next-generation Veritas, provides NetApp intelligence, and is a distributed, scalable storage. "We are not another storage appliance vendor and are focusing at the mid-market. Fortune 500 folks' job is to save their jobs. Anything that is virtualizable is our target market."

Career, Developers, and Education Segments

Education in the West has had three major revolutions – Aristotle, Pluto, Socrates; Gutenberg; and the European during the Renaissance period – and is due for the next major one. Usually, somebody loses during a revolution, but [Knewton](#) is personalizing education content by working with publishers, such as Pearson, who may be threatened by e-books, Kindle, and tablets. Its Adaptive Learning Platform™ customizes standardized educational content to meet the unique needs of each student. Knewton analyzes learning materials based on thousands of data points — concepts, structure, difficulty level, media format — and uses sophisticated algorithms to piece together the perfect bundle of content for each student, every day. Knewton's challenge is users getting used to e-learning. There are shrinking education budget cuts and we cannot find enough talent to hire. The market for higher-end textbooks is \$7 billion.

[Inkling](#) also works with major publishers like McGraw-Hill and Pearson and focuses on iPad as its primary medium. Users can buy an entire book or just chapters. Inkling's third biggest market is United Arab Emirates.

[BranchOut](#) is the largest *career* and *professional* network on Facebook, where members can have their work history, professional background, etc., posted, similar to LinkedIn. It is LinkedIn meet Facebook. Since its launch sixteen months ago, it has raised \$24 million from VCs (Accel Partners) and angels (Shawn Fanning of the Napster fame). LinkedIn does a great job for professionals, or about 10% of the world's population; BranchOut is for the remaining 90%. LinkedIn does Wall Street, BranchOut does Main Street. We tried BranchOut and found it is pretty rough at the edges and needs better user experience. Also, the company claims it has a Chinese Wall between your Facebook personal and Facebook professional (BranchOut); we are not sure how fragile that wall is.

[DotCloud](#) lets developers build and deploy any application to the cloud and manage it all in one place.

[Zinch](#) hooks students up with scholarships based on their comprehensive student profile. Students tell Zinch who they are and the company hooks them up with scholarships that matter. It also hooks students up with colleges and grad schools, allowing students to learn about, get recruited by, and interact with, colleges and universities from all over the world. Zinch is LinkedIn for young people.

[Shmoop University](#), founded as Shmoop (Yiddish for *moving forward*) in 2007, owns and operates an educational website for college and high school students and teachers. It offers online guides and

resources focusing on literature, poetry, U.S. history, civics, economics, and music. The company also provides online test preparation courses. Its biggest challenge is finding people who can write well with humor and humanity. Education is tough, learning is hard. Writing has become a lost art and is getting worse as more people tweet, text, make phone calls, or leave voicemails all day. ☹