Less than $10 Million in Revenue

fast 50

1

PHUNWARE INC.

ANNUAL COMPOUND GROWTH 2010-12: 291.22%
YEAR ESTABLISHED IN CENTRAL TEXAS: 2009
INDUSTRY: Mobile
ADDRESS: 7800 Shoal Creek Blvd., Austin
WEBSITE: phunware.com
TOP EXECUTIVE: Alan Knitowski, President & CEO

REVENUE	EMPLOYEES
2010: $534,277	**2010:** 21
2011: $4.5 million	**2011:** 75
2012: $8.1 million	**2012:** 95

Phunware CEO Alan Knitowski has a military background, so stress in the workplace isn't dramatic for him.

NICK SIMONITE

WHERE MOBILE MEETS MONEY

Phunware's team strives to provide customers with data – regardless of the location

AMY M. MOSELEY | **CONTRIBUTING WRITER**

Phunware touts itself as the pioneer of "mobile as a service" and has the lofty revenue in "the low 20s" with the goal of doubling in size in 2014. The big goal is at, he's having a good day.

"The reality is, because of the

AMY M. MOSELEY | CONTRIBUTING WRITER

Phunware touts itself as the pioneer of "mobile as a service" and has the lofty goal of becoming the mobile overlay to the world.

Like Salesforce created the sales cloud and Facebook created the social cloud, "what Phunware wanted to do was be the mobile cloud ... and create a platform that would handle — much like a big jar of mobile Advil — all the headaches that people needed to work through to be successful on mobile devices," said CEO Alan Knitowski. "Whether it's smartphones, tablets, television, wearable computing — as its coming on board, in-car infotainment systems or digital signage — the only difference with those is, what's the operating system? How big is the screen? What kind of resolution can we get? And then, what kind of memory and processing power can that device support?"

The infrastructure that supports the messaging and the content and the monetization and the engagement for all those things is what Phunware is all about.

So far, Phunware is curing a lot of headaches. The company's client list includes NASCAR, ESPN, the CW, E! Entertainment and venues such as Disney World.

Phunware has grown from 21 employees and $534,270 in revenue in 2010 to 95 employees and almost $8.2 million in revenue in 2012. That means a compounded growth rate of 291 percent. Executives plan to finish out this year with 150 employees and

revenue in "the low 20s" with the goal of doubling in size in 2014. The big goal is to eventually go public as the first mobile cloud company.

In addition to the Austin Business Journal's Fast 50 list, Phunware has ranked No. 40 on the Inc. 500 list for fastest-growing companies in the United States.

It's headquartered in Austin, has offices in California and Maryland and is opening others in New York and Miami.

When he scans for opportunities to grab market share, Knitowski narrows his sight on "a massive push behind connected mobile experiences at the largest venues in the world." He said Phunware "will light up the venue experience at stadiums, at universities, hospitals, retail malls, theme parks, casinos and massive facilities so that when you walk through with our application and you hit the geo fence, it will immediately yank all the information from that site [and provide it to the consumer]. It could be a museum, or it could be Disney World. And it will yank all the information so you can get mapping, navigation, directions, wayfinding and content. We can give you everything to enhance your experience while you're at that facility."

Phunware hasn't yet turned a profit and may use institutional capital to get it there faster. The company is unique in that it

> "It could be a museum, or it could be Disney World ... We can give you everything to enhance your experience while you're at that facility."
>
> Alan Knitowski, CEO

PHUNWARE

has raised more than $20 million without venture capital, private equity or corporate strategic investment. The capital has come from various Texas angel networks; about $4.5 million from billionaire Red McCombs in San Antonio, about $6 million from the founder of Acer and other Asian investors, and funds from the founder of ComScore, as well as others.

Regarding obstacles and challenges so far, Knitowski has the perspective of an ex-Army Ranger: If he's not getting shot

at, he's having a good day.

"The reality is, because of the military thing, I think people lose context of what is actually difficult in the world. I look at people and say, 'OK, something went wrong. If you panic right now, is it going to get better? Odds are, no.' When we look at stuff, if I get to eat, sleep, see my family when I'm not on the road, and nobody's shooting at me. People are so naïve about what is actually hard. In general, life's pretty good," he said.

Phunware's biggest upcoming challenge will be business velocity.

"When I lived in Silicon Valley from '96 to '01," Knitowski said, "I thought technology cycles were fast, and then I saw Internet cycles. And then, all the sudden, mobile cycles make those glacial by comparison. It's like: real time anytime, anywhere, anything I want right now. If you don't give it to me, I'm going somewhere else, and screw you. That is an amazing |expectation."

Phunware's employees are a diverse combination of creatives, engineers and entrepreneurs who have expertise in communications, networking, infrastructure, telephony, gaming and design. The culture is one of ownership.

"We give all of our employees equity," Knitowski said. "I love owners. Owners are everything to me. They are amazing, they care and they work harder."