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Ockham Technologies: Living on the Razor's Edge

Jim Triandiflou, founder and CEO of Ockham Technologies, found himself in Puerto Rico for a family wedding in November 1999. Instead of being able to concentrate on the festivities, he kept thinking of the issues he would face back in Atlanta after the wedding. He had already had to miss the rehearsal dinner to receive a fax from a potential investor, and the issues he was facing threatened to distract him further that weekend. His company, Ockham Technologies, had grown to 10 people in six months and had landed a "dream" first customer, IBM. Ockham's initial work with IBM had expanded into the development of the company's first product, which it was now in the process of building. Ockham's success had caught the attention of several venture capital firms, and the company was close to finalizing its first round of financing. Triandiflou was pleased with Ockham's progress, but as a former consultant, he was now dealing with issues he had never faced before.

When he returned to Atlanta, Triandiflou would have to make decisions about three major issues. Ockham had just decided to end its relationship with the custom-development firm that had been developing Ockham's software for IBM. Should he find a new outside firm, or should he hire a vice president of software development to lead the development internally? In addition, Ockham was about to finalize the raising of its first round of financing but had not resolved what the board of directors should look like. Triandiflou had developed relationships with a lot of influential people who would add value to the board. However, he was hesitant to have a large board and was worried about losing control of Ockham. Who should be on the board? How big should it be? How would the fund-raising terms he was negotiating affect the board's composition?

Complicating these issues were the tensions between him and Mike Meisenheimer, one of the three cofounders, who was currently a vice president of Ockham. Ken Burrows, the other member of the founding team, had decided not to join the company full time. In his absence, Triandiflou and Meisenheimer had formed a close working relationship in the early months of Ockham's existence, with both of them having input into every important decision. However, the tensions between them had been mounting as the company had grown and as Triandiflou had begun needing to make some decisions without getting Meisenheimer's input. Triandiflou believed that they could no longer be "co-CEOs" and wanted Meisenheimer to focus on product management.

The Genesis of a Plan

Triandiflou grew up in New York, the son of two schoolteachers. He reflected: "My dad was a schoolteacher for 33 years in the same classroom. He taught sixth grade, and when the sixth grade

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moved from the elementary school to the junior high, he decided to stay in his classroom and teach fifth grade rather than make that 'big change' to go to the other school. I was from that ilk, too."

After receiving a degree in marketing, Triandiflou was attracted by the prospect of a high-profile advertising career on Madison Avenue in New York. After two years, Triandiflou left to attend business school at Arizona State and received his MBA in 1992. Triandiflou's job decision came down to a choice between AT&T, where he had done an internship, and The Alexander Group, a 30-person sales-management consulting firm headquartered in Scottsdale, Arizona. In making his decision, Triandiflou asked his father's opinion. "My dad said, 'Go to AT&T, they're very stable. They'll be around for a while.'" However, Triandiflou was more intrigued by the possibilities at The Alexander Group and decided to accept its offer. The firm told him he would start in the Arizona office but would soon after be sent to Atlanta, the headquarters of the firm's southern region. The day he started working at The Alexander Group, Triandiflou met another new employee named Ken Burows, whose background mixed both technology and finance.

Ken and I became and stayed fast friends, even though he stayed out in Arizona when I went off to Atlanta. Ken was probably five years out of school and on his third job. He was a very entrepreneurial guy, and he was always coming up with ideas, always thinking about something. Not a day went by when he wouldn't say, "Here's a thought, what do you think?" I was much less entrepreneurial than he was.

In the Atlanta office, Triandiflou started as a consultant but over the course of seven years rose to head the southern region, with responsibility for the office's profitability and its 15 employees. During his years with The Alexander Group, Triandiflou helped sell consulting business to large technology companies such as IBM, Digital, Oracle, Hewlett-Packard, AT&T, and Lucent. He said, "We would work with IBM to help them figure out how they should structure their sales organization, how they were going to take their 5,000 software salespeople and assign accounts and territories, allocate sales quotas and compensate each sales job."

By 1998, The Alexander Group had grown to 90 employees. However, that summer, it suffered a schism within the top management team. The founder, who owned a majority of the firm, received a very attractive offer for the firm and wanted to accept it. The six-person executive team, of which Triandiflou was a member, was split regarding whether to accept the offer, with very strong feelings expressed on each side. As the tension increased, Triandiflou received a call from Burows, who was working for Eli Lilly at the time. Burows was trying to decide whether to get back into consulting and accept a job offer from KPMG and wanted to get Triandiflou's thoughts. The discussion began with Burows asking Triandiflou for his opinion on the job offer but soon broadened.

Ken had run Eli Lilly's SAP project. During our discussion, Ken came up with the idea of a category of software that would complement SAP. It would fit somewhere between Siebel and SAP, Siebel working the sales rep side, SAP working with the finance folks, and this product fitting in between for sales management. We called it SMA—sales management automation.

Part of the thinking was that we could automate some of the intellectual capital that we had gained from consulting. When we would complete a consulting project, it was very common for one of our clients to say, "Hey, Jim—loved the work you did for us, you did a great job, the binder is wonderful, but I've got to translate these ideas into behavior, and how am I going to change behavior?" We thought that we could take some of the process from the consulting, automate it with software, and drive a change in behavior. We got ourselves all worked up over the phone and I said, "Hey, I'm coming out to Scottsdale for business next week. Let me come out two days early and we'll kick this around."

During Triandiflou's trip to Scottsdale, he and Burows spent two days discussing the concept. They then talked weekly between September and December 1998 but made little progress. In the midst of their discussions, Triandiflou remembered meeting John Yates, an attorney at Morris, Manning, and Martin, a large law firm in Atlanta. Six months earlier, a colleague had introduced Triandiflou to Yates and had described him as "one of the rainmakers" for the technology practice at his firm. Triandiflou now thought that Yates might be able to help and added him to the list of people he planned to approach about the potential business.

When we decided that we were going to start the company, I remembered my chat with John and knew that he was involved in the technology community in Atlanta, so I called him out of the blue and set up a meeting, right before Christmas 1998. I walked through what we wanted to do, and John gave me a list of about eight people to call. Call this guy for your office space, call this guy who's looking to be a VP of sales, call this guy for your accountant, boom boom boom boom. After that, we would affectionately refer to the people we met by how many degrees of separation they were from John Yates, because everyone tied back to John. John's a "people connector." We would joke that John's at the center of our company, and we're all around John.

At the end of December, Triandiflou and his wife went out to Scottsdale for a week's vacation at the house of his wife's parents.

We arrived on a Saturday. Friday, Ken and his wife, Debbie, had their first child. They came home from the hospital Sunday, and I was over there Monday, working with Ken on the business plan. Their daughter was crying in the background, Ken was taking care of her, and we were working on the business plan in his office. He'd do bottles and change diapers while we were talking through the plan, then I'd go back to the loft of my in-laws' house and write. I'd go back to Ken's the next day and we'd read it, change diapers, and do another round that night. In December, during Christmas week, we wrote the entire business plan.

In the business plan, they laid out a plan for developing a suite of products for quota setting, analytics, territory alignments, hiring, and other SMA functions. Triandiflou, who was left-handed, suggested they call the company SouthPaw Software, and that became their working name.

Finding a Founding Team

While writing the business plan, Triandiflou and Burows discussed other people who might be good additions to the founding team.

You think through your network. We said, these are the pieces of the puzzle that we need to have in place; who can we get to be each piece? Starting out, we figured there are three things you need. First, you need someone to define the specifications and to build the product, then someone to sell the product, and then someone to implement the product. If you do those three things, everything else is support. Marketing is great, but it's not Day One critical. Finance is great, but if you can do your finances at home when you've got five people, you can do it for a company with five employees.

When you start, the CEO is going to be doing more of the strategic stuff. After that, what the CEO does depends on the CEO's skills. A lot of founders are technical folks, so they may do some of that but need a more strategic person, which, typically, is the marketing person. My strength was sales and marketing, so I figured I would play a big role in selling the software.

Overall, Triandiflou's philosophy was to try to find "the best overall athlete." Those people would not necessarily have experience in the software industry or in the specific position they would fill. However, they would have a broad range of skills to contribute to the company and might be able to grow with the company as its needs changed. In the performance-oriented, results-based culture he planned to build, Triandiflou wanted "to hire the best people, give them extremely aggressive goals, and reward the heck out of them for meeting those goals."

Triandiflou and Burows focused first on finding someone who had domain expertise in sales management and could thus be in charge of defining product specifications. The first person to come to mind was Mike Meisenheimer, who worked for Triandiflou at The Alexander Group.

In the business plan, when we laid out our organization structure, we wrote Mike's name into the plan, put his name right in there, slotted him in. I knew that Mike could deliver, because I had seen him deliver projects for five years at The Alexander Group. In the business plan, we called him the Guru of Sales Management; he was going to be the domain expert. He was basically going to run product management, driving the decisions about what's in, what's out of our product. I gave him a copy of the plan with his name in it. He read it and was on board. He jumped just like that. His dad had been an entrepreneur. He was ready to do it.

Burows came up with someone to fill the software development hole. He knew a person named Ron Hardin who worked at a technology-consulting firm, Flex Solutions, and when Burows approached him, Hardin expressed an interest in participating.

We knew nobody in that world, in terms of running an engineering team. That was not the circle in which we ran, so we figured, "Why not use Ron?" We didn't have a lot of cash, but we were willing to give up equity. Ron was the number two guy in his consulting firm, and we talked to Ron's boss about our doing an equity deal, where they would take an equity stake in the company. In exchange, Ron and some of their developers would build our product. While we hammered out the details of the arrangement, Ron and his team would start working for us.

So we were set. I was going to be the CEO, handle sales and marketing—all the "outside" stuff. Ken was going to be the COO, handle the "inside" stuff like engineering, finance, and human resources. Mike was going to run product management and report to me, and Ron was going to run development and report to Ken.

Now that the team was complete, Triandiflou and Burows finalized their initial business plan. (**Exhibit 1** shows the Management Team section of the business plan, **Exhibit 2** shows the pro forma cash flows, and **Exhibit 3** shows the Financial Proposition section.)

To help validate the idea, Triandiflou approached Greg Corgan, who was the general manager for IBM's Americas Software Group and for whom Triandiflou had done consulting work while he was with The Alexander Group. Corgan found the idea interesting and offered to arrange a meeting with some investors in Houston, Texas. In February, Triandiflou and Burows traveled with Corgan to meet with the potential investors.

We met a guy who was a bigwig personal-money manager at Morgan Stanley and a friend of his from Dallas named Bobby Crews, who's a real estate guy and builds strip malls and stuff like that. Greg did the introductions and basically said, "Look, I may put a little money into this, you guys may want to put your money into it. I'll let you guys decide." We gave them the pitch and thought we did a great job. We were flying high. We were psyched.

A week later, they got a call from Crews.

He said, "We really like it, like you guys, trust Greg, and are interested in doing it, but you've got no customers, you haven't even quit your dang jobs yet, and you have nothing for a product. We've got to see a little more commitment from you guys. Right now, you're playing both sides where you got a job and you're making money. We've got to see substance and we've got to see commitment."

Triandiflou took to heart Crews's advice about quitting their current jobs and seriously considered doing so. Meisenheimer also began thinking about devoting full-time attention to the start-up. However, they found that the other members of the team had a different perspective.

I guess Ron wasn't fully in with us yet. He was interested but not fully in, which was fine. He wasn't going to be an employee anyway because we were outsourcing to him and his team, so he wasn't going to be 100% focused on it, eating it, sleeping it, breathing it. We were a client of his, rather than having the company be his baby, like it was for us.

When push came to shove, Ken also decided he didn't want to quit his job. He had, in fact, gone to work at KPMG. He had liked it. He had his first child. He just said it wasn't the right time for him. Which was the irony of all ironies, because he was the entrepreneur of the group, and I definitely did not think I was. That ticked me off a little bit, quite honestly, but we ended up staying great friends, and our families still vacation together. . . . Ken did write a check, and that makes you feel a little better when someone puts in their money, and he continued to contribute to the company.

To get the company off the ground, Meisenheimer and Triandiflou made a list of two groups of people: those who could give them valuable input on their plan, and those who might be willing to be a pilot customer and help them build the product. They leveraged their network from their consulting experiences and were confident that they would be able to sell one or two systems to get the money to continue the business. "We gave ourselves six months to go sell something." Once they had made some initial sales, they would use that money to build their suite of products, after which they might try to raise money from venture capitalists.

However, to support the business for those initial six months, Meisenheimer, Burows, and Triandiflou calculated that the company would need \$150,000 in cash and decided to invest that amount out of their personal capital.

We each decided how much money we wanted to put in. We started with one-third, one-third, one-third, but then Ken decided he wanted to do less. I said, "Ken, put in whatever you want, I'll make up the difference." It was the same with Mike.

In terms of splitting the equity, we did it the same way. We said that if we each put in a third of money, we'd each have a third of the equity. In the end, I had about 50%, Mike had about 30%, and Ken had about 20%. That's how it ended up simply because of the dollars. We didn't short Mike because he wasn't the idea guy and didn't short Ken because he wasn't quitting his job—we said we're all in it together, that's how we're going to do it. And then as people made their decisions, the capital structure reflected that.

Exhibit 4 shows the founders shareholder agreement detailing how the equity splits might change during the first year.

With the initial capital and some of the people now in place, Triandiflou and Meisenheimer decided to quit their jobs.

Mike and I both resigned on April 1 from The Alexander Group. April 3, two days later, I got a call from a former employee of mine, John Brewer, who was now in the venture business at Monarch Capital Partners. He knew all of us and was anxious to put money into the deal. He said he'd give us \$2 million if we could cut a deal then. We decided not to do that, decided not to take the money. We didn't even get into terms. We just felt that we should go sell something. We knew we'd make the company more valuable by doing that and first getting some validation of our idea. We told him, "Not right now, but there's going to come a time."

Just before his last day at The Alexander Group, Triandiflou discovered that another company had the right to the SouthPaw name and that his new company would have legal problems using the name. "We found out the hard way that getting a name is one of the hardest things you have to do to start a company." As he was completing his exit paperwork for The Alexander Group, Triandiflou mentioned the problem to the head of executive benefits, who was about to begin pursuing a degree in philosophy from the University of New Mexico.

Off the top of his head, he suggested the name Ockham. He said that William of Ockham was a philosopher, and Ockham's philosophy became known as Ockham's Razor. What Ockham's Razor said was when you're confronted with a complex problem that you should slice away all the extraneous information, focus on the core problem, and apply a very simple solution. We felt that was perfect for sales. Sales guys are not the most sophisticated guys in the world. They're not going to spend a lot of time reading things. You've got to call them on the phone and get to the point. You've got to keep things simple. Hence, the name Ockham.

To Triandiflou, Ockham's life began when he and Meisenheimer walked out of The Alexander Group for the last time.

April 19 was the first day of Ockham, because that's the first day we did not have a paycheck. You're not getting paid, so you're now an entrepreneur. . . . Now it's just Mike and I. We're sharing a small office, no window, in an executive suite. My wife had gone to Home Depot, bought a couple pieces of plywood, a couple of file cabinets, and turned that into our desks. That was all we had, plus a name and a plan.

"Purple Diamond Days" and the Big Win

The first major task they faced was developing the product. To get the prototype-development effort started while they continued to negotiate an equity-based relationship with Flex Solutions, Ockham began paying cash to Flex. The three Ockham founders met in Hardin's office in Scottsdale to conduct a joint application design (JAD) session with Hardin and with some of his engineers. "We spent Saturday and Sunday in Flex Solutions' office in a conference room, trying to cram through what the requirements were going to be for the whole suite. We were trying to boil the ocean. We were going to have six modules done in six months."

The initial development efforts did not go well. "I would definitely say that Mike and I had a very high level of expectation. We went through a couple months of work with Ron and his team, and we were very disappointed. We didn't feel good about the quality of people assigned to the team, we didn't feel good about the progress that was made. We were having heart-to-hearts a month into the thing, and it was not smooth."

As he reviewed the documents that would set up an equity-based relationship with Flex Solutions, Triandiflou began having second thoughts, given how the current work was progressing. He and Meisenheimer decided to keep paying cash to Flex, rather than giving it equity for its work. "You don't want to throw around the equity—you have to use it wisely—and we didn't think we were going to get equal value for the equity we would give them."

While Hardin and his development team continued working on the system, Triandiflou and Meisenheimer began contacting the people on their target list and were able to arrange meetings with many of their contacts. To get ready for their meetings, they prepared a presentation summarizing the key points of their business plan. "Mike and I, having not done our own PowerPoint in a number of years, picked a template out of the standard PowerPoint offering that has a purple diamond in the upper left-hand corner. So we called the whole first phase of the company the Purple Diamond Days. We prided ourselves on having cheesy clip art in every PowerPoint."

For three weeks, Triandiflou and Meisenheimer flew around the country, sharing a room in low-cost hotels and pitching their company to the people on their list. (**Exhibit 5** shows excerpts from their presentation.) For some of the people, they focused on getting feedback on the concept. For others, they sought help with making contacts with potential customers and with finding companies that could serve as pilot-testing sites. "One of our challenges was, when we'd go out and talk to people who knew us, they'd say, 'You ought to combine the consulting and the software.' But we had two-year noncompetes at The Alexander Group, and we wanted to honor those. We couldn't work for a TAG competitor, start a company to do similar consulting work, or recruit TAG employees."

Many of their top prospects resulted in dead ends. According to Triandiflou, "We thought we might have something with Allied Signal, but it didn't turn into anything. With Digital, we went down a sales process with them, but it didn't turn anything. Same thing at BellSouth." However, midway through the "tour," they struck gold.

Lo and behold, we made a sales call to this guy at IBM, a totally different guy in a totally different group than Greg, the guy we had originally met with. This guy ran worldwide sales operations for IBM software. His boss had just chewed their butts out: "We need to have better metrics on the performance of our sales force. I feel like I'm flying blind." We showed up with our little PowerPoint slides, pitching our wares. Our story was we want to be the consolidator of data: Do all your updates in your core systems, and we'll consolidate them for you. You have these 13 different systems at IBM—we'll give you one. There's a lot of value in that.

We didn't have anything, we didn't even have prototype. Just PowerPoint. But the IBM guy bites. We sign him up for a \$50,000 specification project, and that turns into a \$100,000 prototype. On the back end of this we've got a million-dollar proposal to build the system, and we're wetting our pants we're so excited. You score IBM as your first customer, you're all excited. Our first software project ever was going to be for a \$13 billion, global unit of IBM.

The initial "specification" project was to identify the metrics IBM should use to run its sales organization, a project Meisenheimer and Triandiflou completed in May. After getting paid by IBM for the project, they gave the money to the Flex Solutions developers to build a prototype, using the specifications they had developed. "We had written what we thought were requirements for this software. We had no idea the level of detail that you needed to get to, to write software. No idea."

Their first deadline was July 9, when they were expected to present the prototype to a meeting of IBM's top 20 worldwide software sales executives in Palm Beach, Florida.

We prepped the night before. Not a thing works in our prototype. Steve, our sponsor from IBM, is sitting there with us, and we're trying to go through the script that he's going to use to demo it to all of his superiors the next day. It isn't working. We were up all night trying to get stuff to work, trying to get the prototype to work. Mike and I, we don't know how to code software. We used to joke that we'd have to take classes at DeVry to learn how to code software, because we don't—so we've got two of Ron's guys trying to make this thing work.

The next morning, it's kind of working, and we say to Steve, "Steve, you can look at metrics on how each geography is performing, or you can look at metrics on how each product is performing. Don't go down products path. Go down geography." Two hours later, Steve's up on stage in front of IBM's top sales executives, and Mike's in the driver's seat at the keyboard. Huge screen with our prototype up there, and Steve says, "All right, Mike, why don't we go down the product path and show the different metrics?" Mike looks at him, and I swear to God, it was like a baseball pitcher shaking off the sign from the catcher. He shakes his head "No," and Steve's, like, OK, why don't we go down the geography path, and we'll look at the metrics there. We go down the geography path, everything works just fine. Next day, they sign a million-dollar contract to deliver the system by the end of the year. Life is good.

Throughout this period, Meisenheimer and Triandiflou worked very closely on almost every aspect of Ockham's business. They honed the company's vision, discussed how to handle all major issues that arose, and decided jointly whom to hire when. With the signing of the IBM contract, Meisenheimer would be overseeing the IBM implementation while continuing to direct the development of the product suite.

In the immediate aftermath of winning the IBM contract, Ockham was accepted into the Atlanta Technology Development Center (ATDC), a prestigious incubator on the campus of Georgia Tech. John Yates had suggested applying to the ATDC, which had spawned Mindspring, Internet Security Systems, and several other well-known companies. "We learned what worked to get us in. One, we had put in our own money. They were impressed that we'd written a check. Two, we'd quit our jobs. Three, we had IBM as a customer. Those things were huge factors. . . . Being in the ATDC was a big credibility thing. That gave us a lot of credibility later with the venture guys."

The ATDC provided Ockham with a 400-square-foot office from which the team could work. Another benefit of being in the ATDC was gaining access to the Atlanta Technology Angels, a group that invested in companies through the ATDC. "It would be a good route for raising smaller chunks of money if we needed it," Triandiflou said.

Outsource or In-house?

With the IBM contract in hand, aggressive deadlines to meet for the client, and plans to continue building a full suite of five other products within the next six months, Ockham had to make sure it had the development resources to do so. The goal was to develop the software for IBM and then be able to reuse 80% of it for future customers. However, by the end of July, Triandiflou, Meisenheimer, and Burows decided that they could not rely on Hardin and Flex Solutions and began looking for other options. Ockham was now faced with a key decision regarding how to complete the development of the software for IBM while pushing forward with development of the product suite.

First and foremost, the software had to be developed in a way that met the specifications and quality standards while being done on time. One option was to find another outside development company to which Ockham could outsource development of the product. If it were to hire an outside company, Ockham would have to have confidence that it could forge a productive relationship with the people who would be doing the development. Triandiflou and Meisenheimer showed their requirements document to three custom-development companies and asked them for fixed-cost bids in order to keep costs from spiraling out of control.

The first company they considered was NIIT, a global company based in India that specialized in custom software development. Ockham was very impressed with the credentials of NIIT's developers. NIIT had a detailed and very formalized development process that required rigorous up-front definition of system requirements. "When we met with them, they felt like real professionals. They are extremely impressive and come with very strong credentials." NIIT would station a project manager and a business analyst at Ockham's office in Atlanta and would have the rest of the development team in India. The fixed cost to use NIIT would be \$300,000.

The second company was Thoughtmill, an Atlanta company that had been founded by executives from two of the large local software companies. Thoughtmill employed 200 people, was growing very quickly, and had added a lot of clients in the past year. Thoughtmill did not have expertise in the sales-management area, but Triandiflou had been very impressed by the reference checks on the company's founders and felt that Thoughtmill's development process was solid and not as "process burdened" as the one used by NIIT. Its fixed cost bid was also \$300,000. Triandiflou did not think that Thoughtmill was happy with the aggressive deadline, but he believed that the quality of its code and system documentation would be good.

They found a third possibility, "the Hotshot Coders," through connections with an executive at a local customer relationship management (CRM) company. One of the executive's best employees had quit and was working with several developers on custom-development projects. Triandiflou and Meisenheimer met with the team and used the ATDC's resources to check it out. Triandiflou was impressed with its reputation as "hotshot coders," and thought it would be a good fit given its members' willingness to work long hours to make tight deadlines. They also had deep knowledge of sales management, which was lacking in NIIT and Thoughtmill. "We wouldn't have had to teach them what a commission means, what cost-of-sale means." Their fixed cost bid was for \$175,000.

Another option was for Ockham to hire its own developers and a development-team leader, thereby bringing the development effort in-house. To explore this option, Triandiflou and Meisenheimer began searching for candidates for the team leader role. The first candidate they were considering was Randy Anderson, a consultant who had helped them design their first product's architecture. Triandiflou had been extremely impressed with Anderson and thought his abilities would be a great addition to Ockham. "He was brilliant, a real technology visionary. He would bring a lot to the table." Hiring a "star" like Anderson would be an excellent long-term move. "What we would essentially be doing is hiring ahead of the curve. We would be hiring for what we were going to become, not for what we were. I think it's important to look out at your future and determine what you want to look like in a year and work towards that."

However, Triandiflou's experiences at Ockham had shown him that a consulting background was not necessarily good preparation for taking an operating role in a software start-up, for "although consulting was brainpower intensive, software was operationally intensive. In consulting you do not get into nearly the level of detail that a real operation does. In a real operation, you're really into the details, you're making it happen. I look back now at some of my consulting ideas and say I didn't have a clue. I was so unrealistic of what really gets done and how hard it is to get these things done."

To find other candidates, Triandiflou and Meisenheimer called around to their advisors and contacts, looking for someone who had managed a team of software developers to deliver a product.

A friend of mine who's a recruiter gave me a couple of names on the sly for free, just to help out. One of them introduced me to Gus Taylor, who had just left a job where he got a nice severance package and was sitting on the beach. We literally caught him fishing on the beach in Florida. He was coming back the next week, and we set up an interview. Gus walked into the interview with a 560-line work plan from the previous product-development project he had driven and completed. He had stayed at his previous company for 12 years, had led a 50-person development team in a satellite office of the company, asked a lot of insightful questions that showed a lot of business sense, and was very willing to pitch in and get his hands dirty. However, because he had always worked at a large company, we were worried about how well he would fit into our start-up.

Triandiflou now faced the decision about whether to continue to outsource, and if not, which of the candidates to hire to lead the development team.

Raising Money and Building a Board

At this point, Ockham was more than halfway through the initial \$150,000 of founder capital and quickly burning through the remainder. Triandiflou and Meisenheimer decided that it was time to start looking for outside investors. One of the first investors they contacted was Bobby Crews, the Texas real estate investor with whom they had met in February.

Now the Texas guys said that they were interested. They actually put a term sheet right in front of us. And their term sheet was extremely interesting. They would give us \$10 million: \$3 million now, and another \$7 million as we needed it. They would take 50% of the company on Day One and then would keep their hands out of the business. But they didn't understand anything about the business. Bobby's a real estate guy! He would talk about it at cocktail parties, and it'd be kind of cool, the little Atlanta software company he's funding.

Were they to take the Texas money, their board of directors would have three members: Crews, Triandiflou, and Meisenheimer. Triandiflou felt that this board could have tremendous advantages for how quickly they could discuss issues and make decisions.

Triandiflou and Meisenheimer decided to go back to Monarch Capital Partners. Monarch offered to invest \$1.5 million for one-third of the company. Cordova Ventures, another Atlanta firm they contacted, promised to match Monarch's terms. However, Triandiflou had his eye on Noro-Moseley, the biggest VC in the Atlanta area. Triandiflou saw Monarch and Noro-Moseley as quite different firms. "Internet guys: that was Monarch. They were the new wave, they were the next thing, they were hot. Monarch would bring a little bit of an 'edge' to the company. All the traditional things: that was Noro."

Two of Noro-Moseley's general partners had direct work experience starting and leading companies in the sales force management segment. (**Exhibit 6** profiles Crews and the partners from Monarch and Noro-Moseley.) However, none of Triandiflou's calls to them had been returned. Triandiflou decided that it was time to leverage his network to make one more attempt to get to Noro and called Yates.

I said, "John, here are the deals we have, but we really want to talk to Noro-Moseley. You know them. They are the guys we want to work with, but they're not returning my calls. Can you help me get in?" John says hold on a second, puts me on hold. John comes back in about

three minutes and tells me to call Alan Taetle right now. He's expecting my call. "Thank you, John." I hang up and call Alan, who had been the VP of Marketing at Mindspring before going to Noro. That was a Wednesday. On Friday, I had lunch with Alan, and we hit it off.

The following Monday, Triandiflou had lunch with Chuck Johnson, a senior partner at Noro-Moseley, then followed with a presentation to all of the Noro partners the next Monday. On Tuesday, Noro sent a term sheet.

Their terms were actually not as good as Monarch's terms and were totally different from the Texas deal. It was a worse valuation, they would get a liquidation preference, and they were going to be locking in an 18% annual return before anyone else got anything.

Who we were going to take as our first investor was a moment of truth, one of the most important decisions we made in the company. Yates was saying don't do the Texas thing. We could do the others; just don't take the dumb money. It's not going to work out.

We were thinking, but we'll only have to give up 50% of the company, we'll keep 50% forever. We're not going to keep as much of the equity if we go with one of these other guys, because it's going to be less money, and we know we're going to need a couple more rounds.

Triandiflou tried to negotiate better terms with Noro-Moseley, particularly regarding the valuation. Noro increased the valuation to \$4 million pre-money but pushed back on changing any other terms. "I called Chuck Johnson and said, 'Chuck, here are the other deals I've got.' Chuck said that he understood but that we had chosen to push back on the valuation, and that he couldn't negotiate now on any other terms."

The final financial issue was how much money to take from Noro.

We only want to take \$2 million on this round, because we feel we're kicking butt, we're going to go sell some more deals, we're going to drive our valuation up. We have the IBM deal, from which we will book over a million dollars in nine months. There are few companies at our stage that have done that. . . At The Alexander Group, Mike and I were selling to IBM, AT&T—the global 100, the blue-chip companies. We sold those guys millions of dollars of consulting work, which built a lot of confidence. So we're very confident we can sell.

Triandiflou had concerns about taking the full \$2 million from Noro because of the implications for the company's board of directors. Noro-Moseley had proposed that the board include two inside board members, two VCs, and one outsider, but they had not finalized the specific board members. Triandiflou was very interested in having VCs from two different firms serving on the board.

We don't want to have two guys on the board from one venture firm. As much as I love Noro, that's just not smart. You don't want to have to manage 12 investors, but diversifying out of one is probably smart. We were worried about Noro's being able to act unilaterally. At least I know John Brewer—he's a friend, I have worked with him before, and he has a different perspective than Noro does. The two Noro guys, I like the heck out of both of them, but they could be much more influential together. Mike and I would have less influence with the two Noro guys on the board than we would by diversifying the board. Two guys from the same firm can monopolize decisions, and not giving any one person or group control is critical. My having board control is less important than my making sure someone else doesn't have it.

If he were to take money from more than one investor, he would be able to reduce the amount of control that any particular outside investor had. Given all of their contacts and the wealth of experience they could bring to the board, Triandiflou wished that he could form a board with all of the people who had helped him until now, but he did not want the board to be too large.

I've heard that once you take venture money, it's a whole new ball game. We have also heard too many stories about big boards that weren't effective, so we want the board to be small. When you have 10 people on the board, you may get better decisions, but have to trade that off against the time it takes to make a decision, and you spend all your time managing your board members. We don't want gridlock and are willing to make a trade-off of time versus quality.

He also wondered which people he should consider for the fifth position on the board. What characteristics should that person have? Should he consider Yates, Corgan, or another executive?

Friction at the Top of the "Canoe"

Triandiflou's pride in what they had accomplished was tempered by other concerns. Ockham had assembled a talented group of employees and had landed an initial customer that other young companies would love to have. However, he was worried about the relationship with his cofounder, which continued to worsen every time Triandiflou made a decision without consulting Meisenheimer. Out of loyalty to each other, Triandiflou and Meisenheimer had never mentioned their conflicts to any members of the board of directors, but the conflict continued to worsen.

We've gone through our first growth spurt, and I think we need to divide and conquer; we need to become a real company. We need to split things up instead of both being involved in everything. That means that Mike can't be involved in all decisions. Most of his career, he's been with smaller companies or out on his own, and I don't think he's seen that you have to divide the pieces as the company grows. He's starting to feel that he is a piece of the puzzle and isn't as central anymore. What he's doing is critically important, but if anything happens that he doesn't know about beforehand, he gets upset.

The issues are about control. Mike wants us to be co-CEOs, but that is not my belief in how you run a company. He says that I am making decisions without including him, and I say, you don't include your people in every decision you make. Classic boundary issues, and they're starting to bubble. In his heart of hearts, he wants us to be partners, have a partnership. But that's not the way we should run the company, and he doesn't feel good about that. Mike will be most valuable refocusing on being our Guru of Sales Management.

More generally, Triandiflou wondered which other key pieces he was still missing within his top management team and how to fill them.

A mentor of mine, wise owl that he is, says that a start-up is like a canoe. You can have it moving along very quickly with two or three people in the canoe, but every person you add is, at a minimum, going to create waves and can very easily tip the canoe. It is hard to seamlessly sit someone into the canoe without it tipping and impossible to do without it making waves.

At the same time, another mentor told me that the team that gets you to \$10 million is not the same one that gets you to \$100 million, so you're going to have to make some changes.

Above all, Triandiflou realized that he had really enjoyed his "ride" so far. "It's fun to grow and to celebrate your wins as a team. You got an IBM, you're about to raise millions of dollars from investors, and everyone you're dealing with is blue, blue chip, so it really seems like there's something here. Now we've got to figure out how to scale it up and build from here, with the board and with the management team."

Triandiflou tried to forget about these issues as he walked in the door for the wedding ceremony.

Exhibit 1 "Management Team" Section from the Original Scottsdale Business Plan

MANAGEMENT TEAM

Ken Burows

Ken Burows graduated from Arizona State University in 1989, receiving a dual MBA in Finance and Strategic Management. After graduate school, Mr. Burows worked for three years as a Systems Integration Consultant with Andersen Consulting. During his time at Andersen he developed both his technical and project management skills. Assignments included large scale systems integration and organizational reengineering with some of the firm's largest government and health care clients. In 1992 Mr. Burows joined The Alexander Group, Inc. (AGI), a marketing and sales management consulting firm in Scottsdale, Arizona. While serving as a Consulting Unit Manager, overseeing the Decision Support Services group, Mr. Burows developed a comprehensive knowledge of the sales and marketing management systems and analytical techniques used within the health care, medical products, and high technology industries.

In 1995, Mr. Burows accepted a position with an AGI client, Eli Lilly and Company, as Director of Consulting in the Integrated Disease Management (IDM) Division. In early 1996, IDM was absorbed into the operations of Eli Lilly's subsidiary, PCS Health Systems. While at PCS, Mr. Burows held the position of Director of Finance, Business Development and Strategic Initiatives. Later, Mr. Burows was named Director of Financial Information Systems, overseeing PCS' SAP implementation effort as part of Eli Lilly's global ERP implementation. During his time at PCS, Mr. Burows developed a solid understanding of ERP back-office systems and their limitations in the areas of front-office functionality, data mining, and reporting.

In 1998, Mr. Burows accepted an offer to join KPMG's Life Sciences/Health Care Consulting practice as an ERP Business Development Principal.

Jim Triandiflou

Jim Triandiflou has 10 years of management, marketing, and sales experience as both a practitioner and consultant to management. After earning a Bachelors of Science in Marketing from the State University of New York College at Oswego, Mr. Triandiflou worked on Madison Avenue as an Account Executive for Grey Advertising and Bozell, Inc. Grey and Bozell are both top 20 global advertising agencies. At Bozell, Mr. Triandiflou was responsible for the \$10 million Minolta business equipment account. His responsibilities included development of an integrated marketing communications strategy including advertising, public relations, direct mail, and yellow pages; oversight of creative design and execution of television, radio, and print advertising; and coordination of the planning and buying of media. Mr. Triandiflou maintained relationships with the top sales and marketing executives by participating in marketing strategy planning, dealer relations, and trade shows. During Mr. Triandiflou's experience with Grey and Bozell he developed broad based skills in marketing strategy and communications.

In 1992, Mr. Triandiflou earned an MBA from Arizona State University. Mr. Triandiflou's MBA is in International Marketing and included coursework at the American Graduate School of International Management (Thunderbird). Mr. Triandiflou joined The Alexander Group, Inc. (AGI) in 1992. AGI is a niche consulting firm that helps companies achieve profitable revenue growth through the effective use of sales and marketing resources. AGI is the largest firm in North America dedicated to sales and marketing management consulting. AGI serves Fortune 1000 business-to-business companies with a particular expertise in technology, telecommunications, and health care.

Mr. Triandiflou is currently the VP and Southern Region Manager of AGI (the Southern Region spans from Virginia to Texas). In this capacity, Mr. Triandiflou is responsible for business development, people recruitment and development, and consulting service delivery. He oversees a 12 consultant team and manages the firm's Atlanta, Georgia office. Mr. Triandiflou is also a member of the firm's seven person Management Team which establishes strategic direction and operational practices.

Mr. Triandiflou has provided sales and marketing management advice to senior executives with IBM Corporation, Oracle Corporation, SAP America, Digital Equipment Corporation, Harris Corporation, Lucent Technologies, Bell Atlantic, AT&T, Enron, Sea-Land Services, and other Fortune 1000 companies. Jim has a track record of business management, marketing, sales, and relationship building that has created profitable revenue growth for his clients and AGI. He has a thorough understanding of the practices that drive profitable revenue growth and an extensive network of relationships with Fortune 1000 executives.

Organizational Structure and Staffing Plans

Mr. Burows and Mr. Triandiflou will have primary responsibility for the day-to-day operations of SouthPaw. In addition, they will serve on the Board of Directors and, working with other members of the Board, set strategic direction for the company.

Mr. Burows and Mr. Triandiflou are joined as founders of SouthPaw by Mr. Michael C. Meisenheimer and Mr. Ron Hardin. These four will comprise the company's Operations Committee. The functional operation of the business will be divided into four major areas, with each individual having responsibility for one area. This group will be responsible for day-to-day execution.

- **Finance and Administration.** Mr. Burows will be responsible for financial management, including corporate finance, financial accounting, infrastructure development, strategic partnerships, and administration. An Accounting Manager will be hired in year one (or potentially outsourced) to assist with these responsibilities. In addition, the development and support organization which will be managed by Mr. Hardin will report to Mr. Burows.
- **Sales and Marketing.** Mr. Triandiflou will be responsible for achieving organizational sales objectives and building the SouthPaw brand through marketing. A Marketing Coordinator will be hired in year one to assist in sales and brand building activities. A senior sales executive will be hired in the second half of year one to begin building the sales force, which will be scaled to five people in year two. In addition, the Guru of Sales Management, Mr. Meisenheimer, will report to Mr. Triandiflou.
- **Product Content/Guru of Sales Management.** Mr. Meisenheimer will be responsible for identifying world class practices in sales management and ensuring the practices are designed into the SMA Suite. Mr. Meisenheimer will interact with sales executives, trade press, and academics to gather best practices and ensure the SMA Suite meets customer needs. Mr. Meisenheimer will work closely with product development to translate market practices into product functionality.
- **Product Development and Support.** Mr. Hardin will be responsible for overseeing product development activities and the supporting development staff. The majority of SouthPaw's initial headcount will be dedicated to product development. This group will be staffed with four to six technical developers immediately. As applications are developed and customers acquired, additional headcount will be added to support specific customer implementations.

Source: Ockham Technologies.

Exhibit 2 Pro Forma Cash Flows from the Original Scottsdale Business Plan

SouthPaw Software Corporation Projected Cash Flow Statement for the First Three Years of Operation													
	Year 1				Year 2				Year 3				
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	
Assumptions													
Num. of Customers	0	0	2	2	4	6	8	10	16	22	31	40	
Total Headcount	12	17	19	19	23	23	25	25	25	25	26	26	
Receipts													
Equity	\$2,000,000	\$0	\$1,500,000	\$0	\$1,500,000	\$0	\$1,500,000	\$0	\$500,000	\$0	\$0	\$0	
New License Fees	\$0	\$0	\$0	\$0	\$450,000	\$300,000	\$300,000	\$300,000	\$840,000	\$1,200,000	\$1,800,000	\$1,800,000	
License Fee Renewals	\$0	\$0	\$0	\$0	\$27,000	\$0	\$0	\$0	\$108,000	\$54,000	\$54,000	\$54,000	
Pilot Revenue	\$0	\$0	\$500,000	\$500,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Install Consulting	\$0	\$0	\$0	\$0	\$150,000	\$100,000	\$100,000	\$100,000	\$300,000	\$300,000	\$450,000	\$450,000	
Total	\$2,000,000	\$0	\$2,000,000	\$500,000	\$2,127,000	\$400,000	\$1,900,000	\$400,000	\$1,748,000	\$1,554,000	\$2,304,000	\$2,304,000	
Disbursements													
Salaries	\$427,500	\$490,000	\$702,500	\$702,500	\$977,813	\$977,813	\$1,056,563	\$1,056,563	\$1,109,391	\$1,109,391	\$1,208,616	\$1,208,616	
Development Server	\$100,000	\$0	\$0	\$0	\$50,000	\$0	\$0	\$0	\$50,000	\$0	\$0	\$0	
Computers	\$60,000	\$25,000	\$10,000	\$0	\$20,000	\$0	\$10,000	\$0	\$0	\$0	\$5,000	\$0	
Work Station Software	\$12,000	\$5,000	\$2,000	\$0	\$4,000	\$0	\$2,000	\$0	\$0	\$0	\$1,000	\$0	
Organization Software	\$20,000	\$0	\$0	\$0	\$20,000	\$0	\$0	\$0	\$20,000	\$0	\$0	\$0	
Office Furnit / equip	\$6,000	\$2,500	\$1,000	\$0	\$2,000	\$0	\$1,000	\$0	\$0	\$0	\$500	\$0	
Facilities	\$4,500	\$4,500	\$4,500	\$4,500	\$6,750	\$6,750	\$6,750	\$6,750	\$9,000	\$9,000	\$9,000	\$9,000	
Utilities	\$1,125	\$1,125	\$1,125	\$1,125	\$1,688	\$1,688	\$1,688	\$1,688	\$2,250	\$2,250	\$2,250	\$2,250	
Travel	\$72,000	\$82,000	\$114,000	\$114,000	\$138,000	\$138,000	\$150,000	\$150,000	\$150,000	\$150,000	\$156,000	\$156,000	
Training	\$3,600	\$4,100	\$5,700	\$5,700	\$6,900	\$6,900	\$7,500	\$7,500	\$7,500	\$7,500	\$7,800	\$7,800	
Phones, Misc	\$9,000	\$10,250	\$14,250	\$14,250	\$17,250	\$17,250	\$18,750	\$18,750	\$18,750	\$18,750	\$19,500	\$19,500	
Marketing Expenses	\$125,000	\$125,000	\$125,000	\$125,000	\$125,000	\$125,000	\$125,000	\$125,000	\$375,000	\$375,000	\$375,000	\$375,000	
Total	\$840,725	\$749,475	\$980,075	\$967,075	\$1,369,400	\$1,273,400	\$1,379,250	\$1,366,250	\$1,741,891	\$1,671,891	\$1,784,666	\$1,778,166	
Cash Flow	\$1,159,275	(\$749,475)	\$1,019,925	(\$467,075)	\$757,600	(\$873,400)	\$520,750	(\$966,250)	\$6,109	(\$117,891)	\$519,334	\$525,834	
Cumulative CFs	\$1,159,275	\$409,800	\$1,429,725	\$962,650	\$1,720,250	\$846,850	\$1,367,600	\$401,350	\$407,459	\$289,569	\$808,903	\$1,334,738	

Exhibit 3 "Financial Proposition" Section from the Original Scottsdale Business Plan

SouthPaw Software seeks to obtain an initial \$2 million private placement, with subsequent \$1 million to \$1.5 million placements every six months over three years. Through the placement of up to 33% of equity to a private investor, SouthPaw seeks to raise \$7 million in capital over three years. Profitability will be achieved in year three. The company projects revenue to grow from \$1 million in year one to \$7.4 million in year three. The founders' objective is to grow the business to approximately \$20 million in revenue with consistent quarterly profitability within five years and then consider sale of the company. Given recent front-office acquisitions (e.g., Aurum, Scopus), it is estimated the company would be valued at over five times revenue.

Source: Ockham Technologies.

Exhibit 4 Excerpt from the Shareholders Agreement Among the Founders, Completed May 20, 1999**Section 2.****RIGHT OF FOUNDING SHAREHOLDERS TO PURCHASE SHARES UPON TERMINATION OF EMPLOYMENT DURING FIRST YEAR****2.1. Purchase Right of Founding Shareholders.**

(a) In the event any Founding Shareholder (a "Terminating Shareholder") ceases to perform services for the Company on or before April 19, 2000, whether as an employee or otherwise, for any reason, the remaining Founding Shareholders shall have the pro rata right to purchase some or all of the Shares held by such Terminating Shareholder by providing written notice to the Terminating Shareholder within thirty (30) days following the date the Terminating Shareholder ceases to perform services to the Company for purposes of this Section 2.1(a). In the event that more than one of the remaining Founding Shareholders desire to purchase the percentage of the terminating Founding Shareholder's Shares which is equivalent to the number of Shares held by such Founding Shareholder divided by the number of Shares held by all Founding Shareholders providing notice pursuant to this Section 2.1

In the event that any Founding Shareholder ceases to own any Shares, such person shall no longer be a "Founding Shareholder" for purposes of this Section 2 effective as of the time the Shares are transferred.

(b) In the event Burows is not a full-time employee of the Company by April 19, 2000, the other Founding Shareholders shall have the right pursuant to this Section 2.1(b) to purchase fifty percent (50%) of the Shares owned by Burows at a purchase price equivalent to the price originally paid by Burows for such Shares by providing notice to Burows no later than May 19, 2000. The purchase rights set forth in this Section 2.1(b) shall not be exclusive and the Shares owned by Burows shall be subject to the general repurchase provisions of Section 2.1(a) in the event that Burows ceases to perform services for the Company on or before April 19, 2000.

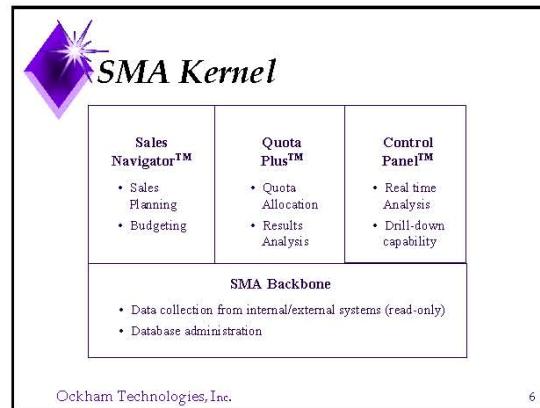
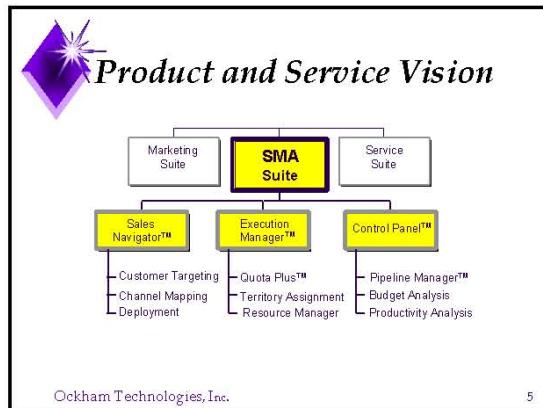
2.2. Purchase Price Paid by Founding Shareholder(s). The purchase price to be paid by the Founding Shareholder(s) for Shares purchased pursuant to Section 2.1(a) from a terminated Founding Shareholder shall be the price originally paid for such Shares by the terminating Shareholder.

2.3. Payment of Purchase Price. The purchase price for any shares acquired pursuant to this Section 2 shall be paid, at the option of the purchasing Founding Shareholder(s), wholly in cash or by delivering at the closing of such purchase an amount equal to fifty percent (50%) of the total purchase price in cash, together with a promissory note requiring the payment of principal and interest in three (3) equal monthly installments commencing on the date of such purchase, and secured by the Shares so purchased, with interest being at the applicable federal rate (as defined in Section 1274 of the Internal Revenue Code of 1986, as amended) as in effect as of the date of the closing of the purchase.

2.4. Closing. Any closing for the purchase of Shares by one or more Founding Shareholders pursuant to this Section 2 shall take place not more than sixty (60) days after the date on which the selling Shareholder's employment is terminated.

Source: Ockham Technologies.

Exhibit 5 Excerpts from "Purple Diamond" Presentation



Source: Ockham Technologies.

Exhibit 6 Descriptions of Potential Investors and Board Members**Bobby Crews**

Robert Crews is an independent real estate developer who creates and participates in conglomerates to buy and develop commercial real estate. He is the president of the Parliament Group, which is headquartered in Dallas, Texas. To invest in Ockham, Crews would team up with a friend who was a vice president at Morgan Stanley. However, Crews would be the active participant in Ockham, serving as a member of the board of directors.

Monarch Partners

At Monarch, our mission is to help leading entrepreneurs build fast-growing, market-leading technology companies. This mission governs how we organize our team, allocate our time, and invest our limited partners' capital. The result is a next generation venture capital firm focused on teamwork and service to the entrepreneur that offers superior returns to investors.

- John P. Brewer, General Partner (Atlanta)—John's specialty is in the design and rapid deployment of high-impact sales teams and channel organizations. As a consultant with the Alexander Group, Inc., John counseled high-growth companies like Sprint, Glenayre Technologies, BellSouth, Office Depot, and Staples on market segmentation, sales organization design, channel strategy, sales deployment, and compensation. ... John is also a former IBM marketing manager and software developer having contributed to the development of several shrink-wrapped, multimedia software packages published by IBM, National Geographic, and Electronic Courseware Systems.

Noro-Moseley Partners

Founded in 1983, Atlanta-based Noro-Moseley Partners ("NMP") is one of the largest and most experienced venture capital firms in the southeastern United States. ... Our mission over the last twenty years remains the same: to partner with strong management teams to build companies of significant value. ... NMP invests primarily in Southeastern-based, early and established growth stage companies. This includes companies in various stages of maturity from first round financings to established companies looking for growth capital for acquisitions, recaps or shareholder liquidity. Our industries of interest include technology, healthcare and business services.

- Charles A. Johnson, General Partner—Mr. Johnson was a co-founder and Chief Executive Officer of Sales Technologies, Inc., a start-up software company which was the most successful investment made by Noro-Moseley Partners I. Sales Technologies computerized the sales function of major corporations by utilizing laptop computers with the Company's proprietary software. The Company was acquired by Dun & Bradstreet in January 1989, and Mr. Johnson continued in his role as CEO through early 1992 under the terms of the purchase agreement. During Mr. Johnson's tenure, Sales Technologies' software and service revenues grew from no revenue as a start-up in 1983 to \$50 million in 1991. ... Mr. Johnson joined NMP in 1993.
- Alan J. Taettle, General Partner—Alan J. Taettle is a General Partner at Noro-Moseley Partners. Alan evaluates investment opportunities primarily in the information technology area. ... Prior to Noro-Moseley, Alan was MindSpring Enterprise's fifteenth employee, eventually becoming the Company's Executive Vice President of Marketing and Business Development (MindSpring merged with Earthlink Network in February 2000). Alan received a BA in Economics from the University of Michigan and a Masters in Business Administration from Harvard Business School.

Sources: Ockham Technologies, excerpts from <www.monarchpartners.com> and <www.noro-moseley.com>.