

= Scene7 =

Scene7 is an American on @-@ demand rich media software company that provides document hosting and interactive publishing services such as online catalogs , targeted email , video , and image management . Several companies , mostly retailers , use the company 's services to showcase products on their websites and to allow customers to interact with the products . Scene7 's technology allows users to manipulate product images by zooming in and rotating products , simulating the inspection of merchandise in retail stores .

The company , founded as a division of Autodesk , created a room decoration computer software called Picture This Home in the mid @-@ 1990s . The division was sold to Broderbund in 1998 , then spun off as a company called GoodHome.com in June 1999 , receiving \$ 30 million in venture capital . After GoodHome.com failed to become profitable , it was reorganized and renamed Scene7 . It formally launched on January 23 , 2001 and focused on helping companies prepare interactive advertisements for consumers . Scene7 was acquired by Adobe Systems on May 31 , 2007 for an undisclosed sum .

= = Profile = =

A subsidiary of Adobe Systems , Scene7 provides document hosting and interactive publishing services , typically charging clients \$ 30 @,@ 000 to \$ 50 @,@ 000 a year to convert catalog print files to interactive web pages . The company does most of its business in North America . Its primary competitors for dynamic imaging services and technology are RichFX and LiquidPixels . Scene7 products rely on several Adobe products , including Adobe Photoshop , Adobe InDesign , Adobe Flash , Adobe Illustrator , and Adobe Flex ; this relationship existed before Adobe purchased the company . Scene7 does not maintain any servers to host its services ; instead , it uses a " pay as you grow " program that only requires it to pay for the resources that it uses .

Scene7 's clients include the companies Sears , Lands ' End , Harrods , Macy 's , Office Depot , Levi Strauss & Co . , La @-@ Z @-@ Boy , and QVC . In 2001 , Scene7 agreed to develop home design and landscaping software for Individual Software for \$ 50 million . High @-@ end casual clothing retailer Anthropologie has used Scene7 's services to create and deploy online catalogs for its e @-@ commerce website since November 9 , 2004 . The retailer implemented Scene7 's Dynamic Imaging service to let customers zoom in on products , similar to how merchandise is inspected in retail stores . The Harrods department store signed an agreement with Scene7 on June 24 , 2005 to use Scene7 's imaging and catalog system on the store 's website . This required Harrods to convert all its printed material to a digital format for Internet use .

= = History = =

= = = GoodHome.com (mid @-@ 1990s to 2000) = = =

The company began as a development team that created software called Picture This Home in the mid @-@ 1990s for Autodesk in San Rafael , California . The program allowed people to virtually preview room decoration projects before any work began . Users could create virtual rooms , change walls and arrange furniture , and create photo @-@ realistic renderings of completed designs . Picture This Home was awarded the Good Housekeeping Seal of Approval . In 1998 , the software and its team of 40 developers were sold to Broderbund , which was owned by The Learning Company , a subsidiary of Mattel Inc . Broderbund eventually spun Picture This Home off as a company called GoodHome.com in June 1999 . The company received \$ 30 million in venture capital from Hearst Interactive Media .

In September 1999 , GoodHome.com merged with Alexandria , Virginia @-@ based nHabit.com , a rival company , for an undisclosed sum . After the merger , GoodHome.com was assured that it would grow quickly ; the merger also added the Internet service provider America Online to

GoodHome.com 's portfolio as a client . Ten weeks after forming a business plan , GoodHome.com officially launched on September 29 , 1999 with offices in San Rafael and New York City , New York , and Roger Horchow was assigned as its chairman . The company used the slogan " A beautiful home . It was never this easy , " and focused on selling furniture and other home items , spending \$ 20 million on advertisements in its first year . Mack decided that the company should target women , since " women make 80 percent of decorating decisions . " The company built a home furnishings portal to compete with the websites Living.com and Furniture.com , which both went bankrupt in 2000 . In April 2000 , GoodHome.com 's monthly sales topped \$ 1 million ; the company 's goal was to be profitable within two to three years .

One of the website 's biggest attractions was its virtual decorating service that let customers see how certain features such as the paint , upholstery fabric , rugs , and pillows would look before a purchase . When considering why this service was so popular , Mack noted that consumers usually feel more confident in a purchase when there are few unknowns . At the time , selling products over the Internet was not a popular concept outside the United States , but Mack was confident in expanding GoodHome.com 's portfolio to include foreign companies : " We 're already getting so many requests from companies about expanding our website abroad ... I see this happening quickly within the next few years . "

GoodHome.com encountered difficulties in running its business in 2000 , when several other companies that offered similar services launched . The increasing demand for online catalog services , considered a phenomenon , was dubbed the " hottest thing since sliced bread " by an analyst from technology research firm Forrester Research , which estimated that roughly \$ 500 million was invested in home furnishing websites from 1999 to 2000 . It became difficult for consumers to decide which service provided better quality ; a business owner commented , " You can 't tell the difference in quality between something that 's \$ 3 @ , @ 000 and something that 's \$ 10 @ , @ 000 . " GoodHome.com , which had offered free shipping , phased out the feature on July 15 , 2000 , in favor of " heavily subsidized rates " . To compete with new companies , GoodHome.com also introduced new features such as a " floor planning " feature to allow website visitors build an electronic version of their rooms , then drag in furnishings to see how they fit .

= = = Reorganization (2001 to 2005) = = =

After spending several years operating at a loss , GoodHome.com reorganized under the name Scene7 , which formally launched in January 2001 , with \$ 15 million raised from investors that included Hearst Interactive Media . The new company focused on helping companies prepare interactive advertisements for consumers . Mack , the Broderbund executive who had decided to spin off the company , reflected on the decision to reorganize and relaunch : " We got a year into [the initial GoodHome scheme] and the whole B2C (business @ - @ to @ - @ consumer) market tanked , and we realized we could not build a successful business as a portal [...] But the whole time we kept having people approach us to license the technology [to create virtual catalogs] , and finally a light bulb went off when we realized we were sitting on top of a great technology we could sell . " Scene7 raised a round of financing on July 12 , 2001 that totaled \$ 11 @ . @ 3 million , which helped stabilize the company . The deal was led by venture capitalists from several firms , including Louis Bacon 's Moore Capital Management and Xcelera of the Cayman Islands , with cash investments from Cooley Godward and Perkins Coie . After the latest round of financing , Mack planned for Scene7 to have 15 clients and a burn rate , or negative cash flow , of less than \$ 700 @ , @ 000 a month , stating , " What we learned was to stick to your strategy , and don 't get nervous when the competition is adopting a strategy to spend their way to victory . " At the time , the company 's revenues were well below its peak of \$ 1 million a month , but Mack intended to increase revenues past that point in a few months .

Scene7 moved from San Rafael to Hamilton Landing in Novato , California in September 2002 to accommodate more employees . On July 9 , 2003 , the company acquired all of the assets of workflow provider and advertising software company Engage for \$ 1 @ . @ 2 million and assumed its \$ 650 @ , @ 000 debt after Engage filed for Chapter 11 bankruptcy . Engage was the parent

company of both Cascade and MidSystems , which were two of the first companies that tried to automate prepress production for newspapers and large printers . On August 15 , 2003 , Scene7 acquired its top competitor , TrueSpectra of San Mateo , for an undisclosed amount of cash and stock . On June 15 , 2004 , Scene7 raised \$ 7 @. @ 5 million in another round of financing , led by home shopping company QVC with some of Scene7 's existing investors . At the same time , Jeffrey Branman , President of Interactive Technology Partners at QVC , and David Rubenstein , co @- @ founder of the private equity firm The Carlyle Group , joined Scene7 's board of directors , which was composed of James Caccavo of Moore Capital , Andrew Wright of RealNetworks , and Mack .

Since the early 2000s , the company 's growth has been fueled by an increase in broadband Internet access , which loads virtual catalogs faster than dial @- @ up Internet access . When catalogs first appeared online in the late 1990s , the graphics took too long to load . After high @- @ speed Internet access became more popular , virtual catalogs quickly grew to become a popular feature of online stores . In addition to faster Internet connectivity , a study in 2000 noted that an online presence for brick and mortar businesses increased offline sales by an average of 27 % . Mack also pointed out that having more product information disseminated helps play a role in increasing sales : " We have the ability to provide consistent information ... One of the advantages of selling furniture online is the hyperscript ; you always have the original specifications on a product . "

= = = Acquisition (2007 @- @ 2008) = = =

Scene7 was acquired by Adobe Systems on May 31 , 2007 for an undisclosed sum . At that time , Scene7 had 80 employees , most of whom were transferred from Scene7 's former headquarters in Novato , California to Adobe 's offices in San Francisco , California . Mack joined Adobe as its vice president of Creative Solutions Services . Scene7 was added to Adobe 's product line as a hosted service to help boost Adobe 's overall services strategy , especially its software as a service efforts , and because Scene7 was a great fit due to its heavy usage of Adobe products .

Adobe plans to integrate Scene7 's products into Adobe LiveCycle , the company 's suite of server software products , at an unspecified time . The Scene7 brand will continue to be used , but it will " eventually be replaced with the Adobe brand " . Denmark @- @ based YaWah , a dynamic imaging software company , was acquired by Adobe on September 26 , 2008 to help expand Scene7 globally .