



# UP AND RUNNING HELPS XOBNI MOVE FROM STARTUP TO ACQUISITION HANDS-ON TECHNICAL COMPETENCE DEFINES THE PARTNERSHIP

# Xobni Brings Order to Chaos

In the age of technological entrepreneurship, the phrase "Once upon a time in a land far, far away" has been re-written to read "Once upon a time in a dorm room." This story begins at MIT.

Overwhelmed by the overload of information in his email, Adam Smith crafted software he felt would "take back" control of his Outlook inbox.

Sensing that his creation might be of interest to others, Smith teamed with Matt Brezina to form Xobni, inbox spelled backwards. The name was chosen to represent the aforementioned act of taking back one's inbox and was intended to be pronounced "zobe-nee," but when Bill Gates pronounced it "zahb-nee" while lauding the product, the founders went with it.

Xobni was initially built as a search solution for people with massive amounts of data in Outlook, business types primarily, who over the years accumulated thousands upon thousands of emails within countless folders. Realizing that most searches were driven by the name of the sender, Xobni's founders chose contacts as the basis for organizing the mountains of data including attachments, messages, and ultimately social networking profiles and interactions.

Xobni was founded in early 2006 and that same year was part of the Summer Founders Program at Y Combinator, called "the world's most powerful startup incubator" by Fast Company and "a spawning ground for emerging tech giants" by Fortune. With seed, angel, and Series A funding rounds complete by 2008, Xobni could launch its first product, what Gates would describe as "a social networking group of capabilities brought into Outlook itself...the next generation of social networking." So impressive was Xobni's makeover of the user's inbox functionality that Tech Crunch headlined a February 17, 2010 article "Microsoft Outlook Is Starting to Look Like a Poor Man's Xobni."







From 2008 through 2012, employing the fruits of five more funding rounds totaling nearly \$42 million cumulatively, Xobni launched a cloud-based application, a Blackberry application, and ultimately a suite for Gmail, iPhone, and Android. With that suite, the user's inbox became a clearinghouse and organizational platform for all electronic communications, including social networks, giving a concise view of all incoming communication regardless of application. It also compiled a complete profile of all contacts to rank them according to importance to the user, determined by usage.

In 2013, Xobni was acquired by Yahoo!, and after a year or so of scaling to accommodate the number of users, its functionality was integrated into Yahoo! Mail, where it resides today.

# The Up and Running Selection

"Ian was an early adopter, a big fan of Xobni, even before we became involved," remembered Peter Hanson, founder of Up and Running Software (UAR), of his colleague Ian McKilligan, CEO of UAR. "He had too long suffered the horrors of Outlook search. When he saw that they were looking for some help with PHP programming, he reached out."

Meanwhile, Francois Richard, who served as VP of server engineering and operations at Xobni and is now VP of engineering for Yahoo!, was searching for a PHP developer on user group bulletin boards. Richard had joined Xobni to lead the transition from being an exclusive Outlook plugin to a server-based system that could be used with multiple applications and also be compatible with the then-emerging mobile market. Richard was also providing day-to-day management of the server engineering and operations teams as well as direct contributions to multiple software components of the Xobni Cloud platform, all while overseeing cost analysis, SLA agreements, and vendor management.

Soon, Hanson was talking with Richard. "Being a startup with typically limited resources, we were investing too much into our user-interfacing website. While we clearly needed to have these things, they were not core to our product, and therefore a prime candidate for outsourcing," Richard recalled of the decision to secure a vendor resource, one with strong PHP credentials.

"Xobni was one of our earliest Silicon Valley clients, and PHP is one of our strongest language skills, one which we have been proficient in since our founding, so we were confident we could be a value-add for Francois's team," recalled Hanson of those early conversations and his first business-driven trip to the Bay Area.

"I'm not very fond of consultants," quipped Richard, "people who do more project management than write code, or who charge you to tell you what they are going to do for you. Pete and lan aren't like that. When I ran into Peter, who is a lot more technical and hands-on, I was much more comfortable with their approach."







# The Up and Running Contribution

UAR worked on several components of Xobni over their three-year relationship, extending for a time post acquisition. Much of the work centered around interaction points with Xobni users, doing front-end work on the website where customers would sign up, download software, and configure their accounts. Some back-end administrative functions that would define customer tool usage were also aided by UAR's team of developers. "It was a lot of software-as-a-service applications," explained Richard.

Initially targeting individual license sales, or enterprise-level clients, Xobni soon felt the need for an intermediate licensing solution that would serve small- to mid-sized businesses. Creating small business self-service sign-up features on the website, which were user-friendly and allowed for the management of group licensing but did not require the time of Xobni sales reps, was UAR's major contribution to Xobni's move to market.

For Richard, the UAR team became much more than a vendor, they became partners. "I could tell Peter and Ian what my budget constraints were and then let them manage the workflow according to my priorities and within our means and timeframes while providing me with manageable and predictable expenses," explained Richard of a trust that cannot be extended to all vendors in the sphere.



# The Up and Running Epilogue

"It was a great partnership from our perspective," remembered McKilligan, "we learned a great deal from Francois and his team. They helped us move to the next level." The acquisition would ultimately eliminate the need for a Xobni website, spelling the end of the UAR contribution and making Xobni the first startup UAR helped move to a profitable exit. But it was not the end of Richard's admiration. "I have this philosophy that I want someone who is reliable and who does not need to be micro-managed, because micro-management and babysitting cost me money. I want someone who will just do the job and can be trusted to deliver, and Up and Running is such a group. I would totally recommend them. I deeply appreciated that Peter and Ian were more technical, not trying to sell us more time, but working as an embedded part of our team."







# About Up and Running

We partner with clients to solve important technical problems by building, implementing, and servicing complex software solutions for customers of any size in any industry.

Started in 1995 while founder Pete Hanson was a sophomore in high school, Up and Running Software began as a technical services firm and evolved into a developer of custom software solutions. Customer happiness and open communication have been the focus since day one, plain and simple, resulting in long-term relationships with any type of client, from non-profits to startups to the Fortune 10. Thanks to this mindset, Up and Running is fortunate to have served an impressive array of clients, including giants such as General Electric (GE), Henry Schein, Sanofi, and Hearst, as well as venture-backed startups at every phase, from formation to growth.

Its over two decades of custom software development, legacy system support, and migrations drive the engines of solutions that thousands of businesses and millions of people rely on daily. That experience has resulted in hands-on depth in most software development stacks, from the command line systems in the back office to ones that gracefully handle any screen size worldwide. A commitment to QA and process improvement drives scalable results, producing long-term software assets with high ROI. Up and Running's work passes FDA & DEA audits, rolls up global treasury data, manages nuclear assets and railroads, delivers vaccines, and enables neuroscientists and researchers.

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