Infocom Bulletin #2

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2014/01/26

We are pleased to present our free quarterly e-newsletter from Infocom Intelligence, a consulting firm involved in technology, strategy, finance and innovation management. Mr. Rhéaume, Senior Partner, is also a teacher at Télé-université (TELUQ) and École de technologie supérieure. He teaches finance, management and innovation management. He is a contributor to La Presse Affaires, Les Affaires, Seeking Alpha and he was a contributor to Techvibes and LesNews. He is a PhD candidate in innovation management at ÉTS in the fields of corporate training; corporate universities and the innovation dilemma Buy versus Build. He has published both in academic and professional sectors in strategy, finance, innovation management and technology. He is the editor of the blog Infocom Analysis.

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1- Most promising start-up of the Quarter: Azzimov

We had an interview with the CEO of Azzimov, Mr. Benoît L'Archevêque, a serial entrepreneur well known for his start-ups in advertising, technology, web and retail. AZZIMOV is a start-up from Montreal, which is in the RED HERRING Top 100 Global (Most innovative start-ups).

Azzimov: Business Description

THE FIRST PRODUCT-SPECIFIC

SEARCH PLATFORM IN THE WORLD

SHOPPERS FIND THE PRODUCT THEY NEED

MERCHANTS BUY THE LEADS THEY WANT

AZZIMOV HAS IMAGINED AND RETHOUGHT ELECTRONIC COMMERCE

FOR WEB AND MOBILE FROM THE INSIDE OUT.

AZZIMOV recreates the commerce environment on the Web and on the Mobile by putting each product in the center of the conversation, thus redefining the future of commerce. Now people can easily search, recommend, help, compare, share, find and locate, in order to make informed decisions from the contextual insight from the global community and friends they personally know. Azzimov was created to understand and serve the users in the most personalized way possible. Using Artificial Intelligence, Azzimov helps contextually guide the users to make the best decisions for yourself.

Interview

1- Could you give me some statistics in order to understand your activities? (Ex. number of employees, revenues, Web data, etc.)?

Azzimov was created in 2011.
Employees in North America : 17
Employees in China: 3 Azzimov employees and 12 from the Innovation division.

We have been developing the Azzimov technology for the last two years. As of today, $3,700,000 has been invested.

Azzimov.com has been online since March 2013 without any kind of commercialization.

We will begin the commercialization in mid-January 2014.

However, the Azzimov platform has had organic success. It started with 4,000 visits in March, and had over 200,000 visits by October 2013.

Our current revenue is around $250,000 but should increase in 2014 with the commercialization of the American, European, and Chinese platform.
We have a patent-pending Mobile navigation technology that is absolutely unique.

This technology, which we call the "Two Touch Navigation", allows users to dig into the information, which is adjusted to the real-time search context as well as to personal choices.

2- Who are your main customers? I believe China Telecom is your most important customer.

China Telecom has chosen Azzimov as their Web and Mobile shopping platform. The platform has been online since mid-September.

We cannot yet disclose other major players with whom we are talking. However, we can confirm that we have had serious discussions with major telephony players in Canada, as well as in other countries around the world. We are also in discussions with financial institutions wishing to diversify their service offer. I cannot say more for now.

3- Currently, what are your main challenges? (Ex. partners and VC financing?) If so, could you tell us how much you are looking for in venture capital funding?

We had several technological challenges that we had to overcome over the last two years: indexing products simply by reading a Web page, deconstructing information by keeping only the elements and forgetting the structure in order to allow the aggregation of the heterogeneous database, and rebuilding intelligently to allow self-learning and personalized navigation were challenges that our team has successfully met.

Therefore, even if there is always room for improvement, the primary technological challenges are behind us.

We have two challenges left that are closely linked to each other. The financial challenge and the commercialization challenge to consumers and merchants.

Since our objective is to become the largest product search portal in the world, we must be able to fund our company properly.

Financing is a constant concern for companies like Azzimov.com.

We are now beginning our second round of funding and are looking for between 5 and 10 million dollars.

4- You are a serial entrepreneur. Is it one of your objectives to sell the company to bigger Quebec or American players (short or long-term) if a good offer is made?

Indeed, I am a serial entrepreneur. However, I still own each of the companies I started with my associates.

I am a businessman, but I also have a social conscience. I define myself as a responsible entrepreneur.

5-Will you diversify your activities in areas related to Mobile product search? If so, can you discuss it with us?

Yes, we have several complementary ideas since the product-centered philosophy allows for multiple new models.

Moreover, the Azzimov artificial intelligence understands the search context, which allows us to populate the navigation buttons in a dynamic way to answer the search context.

The Azzimov technology is totally innovative since it can cross all types of data. We can therefore mix data from different sites or different products, or inform people from newspaper articles, etc. without difficulty. In sum, each object, person, article, and text is composed of different elements. Several objects, people or other items can share each of these elements.

As such, "White" can become a color, a brand, a name, etc.

This way, we will be able to amalgamate shopping, information, and social all in one, on Mobile and on the Web.

2- Best Application of the Quarter

PasswordBox was named the 2014 best mobile application out of 40 contestants, at the Consumer Electronics Show of Las Vegas.

PasswordBox is a Canadian firm, offering an Android and iOS secure management solution for passwords.   This app enables us to register passwords so that they become synchronized with the major web browsers on computers and / or mobile devices, at the same time. The app also enables users to share their accounts with third parties without showing their password. Passwords can also be transferred to a "person of trust" if necessary (i.e. mortality). The start-up promises exciting new services for the World Mobile Congress of Barcelona in February.

3- Mergers and Acquisitions in the Infocom Sector

The technology, media and telecom industries dominated the world mergers and acquisitions ranking in 2013 with an increase of 54%, reaching $510 billion. Found among the 14 biggest M&A over $5 billion, is the repurchase of the 45% minority interest of Verizon Wireless from Vodafone (the world biggest wireless operator) for $124.1 billion. The Vodafone shareholders (like me) are very happy with this lucrative decision.
In the word M&A sector (all industries); the market was $2,227.7 billion, lower by 2.7% than 2012 according to Mergermarket.

4- Most Popular Blog Post of the Quarter

52 tools for any company to innovate like a start-up (Powerpoint)
http://www.infocomanalysis.com/52-tools-company-innovate-like-startup-powerpoint/

5- Analysis on the Dilemma Buy vs Build innovation (my PhD Thesis

The first scientific article from my PhD thesis will be submitted to the Journal of Workplace Learning: **The challenges facing corporate universities in dealing with open innovation.**

Short Abstract

This article illustrates the quick rise in the popularity of corporate universities since the 1990s and their proliferation worldwide in large corporations. Since knowledge management is becoming imperative to the survival and growth of firms in most industries, a better management of corporate universities is becoming more and more critical. The purpose of this article is to analyze three objectives: Why invest in corporate universities? Which model to adopt? What are the key challenges facing corporate universities in dealing with the adoption of an open innovation approach?

A corporate university constitutes a means of systemizing training on an ongoing basis. This article analyzes the challenges involved in the development of corporate universities and examines how they can deal with open innovation as well as the dilemma of buying versus building innovation.

This article identifies some development models and growth avenues for corporate universities. It helps provide an understanding of the challenges associated with open innovation as well as their limits. It is among the first papers to link the development of

corporate universities with the open innovation approach. It also provides practical advice for managers and academics.

Contact us in order to obtain access to the content of the article before publication: Louis@infocomintelligence.com

6- Forthcoming Issues of the Bulletin

Dear newsletters subscribers,

in the coming weeks, you will receive a free newsletter covering the infocom sector. We will provide news and analysis to our readers on the following topics:

1. Interesting Technology Stocks
2. Most interesting financing of a start-up of the month
3. Most interesting tech M&A of the Quarter
4. Most interesting tech book of the Quarter
5. Most interesting applications of the month
6. Most interesting new start-up of the Quarter
7. Most popular blog post of Infocom Analysis of the Quarter
8. Analysis on the dilemma Buy vs Build innovation (my PhD thesis topic)

Some of our topics will also be on:

· **FINANCE**
· **TECHNOLOGY**
· **INNOVATION**
· **STRATEGY**
· **INTERNET**
· **VENTURE CAPITAL**
· **START-UPS**
· **APPLICATIONS**
· **ENTREPRENEURSHIP**
· **TABLET**
· **SMARTPHONES**
· **APPLE**
· **BUSINESS MODELS**
· **INFORMATION TECHNOLOGIES**

Follow us on Twitter at @InfocomAnalysis, and let us know how we're doing.
We are open for suggestions for new topics.

We are involved in technology, finance and management consulting. Consult www.infocomintelligence.com for a description of our products and services.

Happy New Year,

Sincerely,

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