

Start-up Gives Web Forums a Backbone

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STARTUP GIVES WEB FORUMS A BACKBONE

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In a world where millions of people have ears that seem to leak slender white iPod wires, Head-Fi.org is dedicated to hard-core aural fixation. More than 700,000 people visit the website each month to share their passion for high-end headphones that might cost \$1,400 and more.

So if you happen to be managing Google's social strategy against Facebook's imperial ambitions, wouldn't it be sweet to find ways to embrace online forums like Head-Fi, ChefTalk and EpicSki?

Turns out that a small startup called Huddler is already doing just that, having quietly gotten 24 such sites to adopt its Web 2.0 platform. The back-end technology transforms first-generation bulletin-board systems into a richer media experience with a more attractive, useful interface, enhanced social interaction and new advertising angles.

Huddler, which was founded in 2007 with about \$500,000 from angel investors and last year raised \$5.5 million in venture funding led by New Enterprise Associates, had a technology that at the dawn of 2010 reached about 500,000 users, all devotees of EpicSki, the alpine ski site that was Huddler's first convert. By year's end, Huddler's collective reach will be about 10 million -- with potential for hundreds of millions more, said CEO Dan Gill, who co-founded the startup with his older brother Ted.

Joan Rostad, the Montana-based publisher and owner of EpicSki, said Huddler essentially turned what had been a hobby into a growing business, driving search traffic up 65 percent and attracting major advertisers. "This would have never happened had we stayed with our previous platform," Rostad said in a news release.

Gill won over publishers with a compelling sales pitch. The upfront cost is zero. Instead, Huddler negotiates for a share of incremental ad revenue driven by the overhaul. "We organize the content in a way that drives a lot more search traffic," he explained.

So far, the strategy is paying off, with search traffic and revenue up dramatically at every site, he said.

The business model, Gill said, is "a win-win-win." Not only does Huddler and its partners prosper, but brand advertisers also have a better way to reach audiences. "We tell them they're talking about you if you want them to or not," Gill explained. The smart choice is "to participate inside these incredibly influential communities."

The forecast is still cloudy: Aryaka Networks, a Milpitas-based provider of cloud technology that is said to reduce costs by moving computer processes from hardware to online networks, has landed \$14 million in first-round funding from Trinity Ventures, Mohr Davidow Ventures, Nexus Venture Partners and Stanford University.

No love lost: Dave McClure's blog rant Wednesday slamming Mike Arrington of TechCrunch for suggesting "collusion" among super-angel investors had me thinking maybe the PayPal Mafia really is like "Goodfellas." Here's a sanitized excerpt: "He's dead blanking wrong about there being some story around 'collusion.' Makes for great red meat on TechMeme & Twitter, but it's just so much horseblank.

"Yesterday I was invited to a dinner with some well-known startup investors. ... It wasn't to collude, to price fix, to put out a hit on Paul Graham (of Y Combinator) or generally bust a cap in any founder's blank (OK maybe Zuck & Jobs have it coming, but people might notice if we shoved them furtively into Davy Jones' Locker)."

Conspiracy or no, it could drum up some drama for TechCrunch Disrupt SF, the tech showcase event running Monday through Wednesday at the San Francisco Design Center Concourse.

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