

Press Releases

digiMine Founded to Offer Next Generation eCommerce Analytics and Personalization Solutions

Company Creates High Enthusiasm Among Top Internet Angel Investors

SEATTLE, WA (April 3, 2000) - digiMine today announced its intent to deliver high-impact analytics solutions focused on the growing needs of eCommerce companies. The company also announced the closing of its first round of funding with investments from several notable executives and top Internet technology angel investment funds.

"We are excited by the vision and focus of the company and founding team," states Pete Higgins of Second Avenue Partners, former group VP at Microsoft and key advisor to digiMine. "Ironically, as transaction levels in eCommerce explode, companies know less and less about their customers. The digiMine team has the experience and know-how to harness the power of that data and usher in a new generation of data-enabled marketing and business intelligence applications." In addition to Second Avenue and notable individual angel investors, other investment funds in this round include Silicon Valley Angels, Deutsche Bank Technology Fund, Cedar Grove Investments and Kellett Investments, among others.

The company aims to be the first to deliver on the promise of making advanced database and marketing applications a practical reality for today's eCommerce companies. A key part of digiMine's strategy is to manage and host data warehousing and data mining applications and provide them as services to its business-to-business (B-to-B) eCommerce customers. As an Application Service Provider (ASP), digiMine will deal with the complexity of these systems and let its customers focus on their primary business goals.

"It's no secret that data warehousing and data mining applications have been really difficult and expensive to build and manage," says digiMine co-founder and CEO Usama Fayyad, world-renowned leader and pioneer in data mining. "We're out to change that. We're making it easier, faster and better, and we'll remove the burden from the customer by delivering solutions with a model that keeps it affordable and convenient." Fayyad formerly headed the Data Mining & Exploration (DMX) group at Microsoft and led development efforts to embed data mining in upcoming releases of SQL Server 2000 and Commerce Server 4.0.

Using data to understand customer behavior and manage customer relationships and marketing campaigns is an imperative for eCommerce companies. It is key to more meaningful customer interactions and ultimately to building customer loyalty. Investors appreciate the value proposition that digiMine is delivering on. "The days of data mining as a black art are over. digiMine's unique model unlocks enormous value trapped in eCommerce web sites and turns data mining from a PhD construction project into a simple service for everyone," states Sam Jadallah, a founding angel investor and managing director of Internet Capital Group. "The combination of digiMine's solution and experienced management team make this a winner."

The need has never been greater. Web-based

businesses are deluged with click-stream, user profile, product catalog, and transaction information. There's little question the data is extremely valuable, yet few are taking advantage of it. "It's clear from all the eCommerce companies we've talked to that they are frustrated by the complexity of the problem," says Bassel Ojeh, digiMine co-founder and COO. "Even customers with expensive custom-built data warehousing and mining programs are having a hard time utilizing these systems. They're too wrapped up in keeping the trains running and the web servers alive." Ojeh formerly oversaw the development of Microsoft Commerce Server 4.0 and built some of the earliest web data warehouses for MSN's Internet properties.

"Users average about 20 seconds on a site visit; if they do not find what they want they are gone, perhaps never to return," says Nick Besbeas, digiMine executive VP of Sales & Marketing and 15 year veteran of the database marketing industry. "The question that many eCommerce sites are asking is 'how do I engage the would-be customer?' The answer to this and other questions lies buried in the mountains of data generated by the site." Besbeas drove the direct and web marketing analysis and tracking systems for MSN Internet properties and most recently led marketing research and campaign intelligence for desktop and server applications in the Applications Division at Microsoft.

digiMine is moving at record speed to meet aggressive goals for time to market. In its first week, the company acquired the assets and employees of a small eCommerce consulting company in the Seattle area. The acquisition helped jumpstart the company; which now has over 20 employees. Additionally, the company has attracted distinguished industry luminaries to its advisory board. Among the members of the Advisory Board are Pete Higgins, Nick Hanauer, Chairman of Avenue A and Gear.com, Keith Grinstein, vice chairman of Nextel International and director of Madrona Venture Group, Mike Slade, former CEO of StarWave, and Rajeev Motwani, Stanford University database professor and angel investor.

"This was an over-subscribed round that closed quickly with many investors either excluded or having their shares substantially reduced," offers John Cunningham, president of Kellet Investments and one of the directors of InfoSpace.com. "digiMine has an innovative and timely model and the top team of experts and management to make it happen."

About digiMine

Founded in March 2000, digiMine is setting new standards for the delivery of powerful analytics and personalization to businesses. digiMine's advanced data warehousing and data mining services are securely delivered via the Internet, which enables a fast and reliable way for businesses to act with precision and speed. digiMine provides invaluable business intelligence and decision support through intuitive reports with customizable and interactive visuals. Typical deployment occurs within a few weeks, dramatically reducing costs, complexities and the burden on IT departments. www.digiMine.com. For additional information about digiMine call (425) 896-1700 or visit the company Web site at www.digiMine.com.