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# DigiMine buys data firm

**By Cydney Gillis**  
Journal Business Reporter

**BELLEVUE** — Just past its first anniversary, Bellevue-based **digiMine Inc.** has acquired a Silicon Valley firm, **CoRelation Inc.**

Like **digiMine**, 2-year-old **CoRelation**, which employs 12, is a pioneer in "data mining." It's a field in which companies crunch marketing, product, Web site and other statistics to provide businesses with highly detailed reports for making decisions.

Terms of the deal were not disclosed. According to **digiMine** spokesman **Joel Sider**, the purchase gives the firm — which was started last March by three ex-Microsoft executives — new outposts at **CoRelation's** headquarters in Menlo Park, Calif., and another small office in Chicago.

**CoRelation's** technical team — a group of five researchers that

includes several Ph.D.s from Stanford University — will join more than 100 employees at **digiMine's** new downtown Bellevue offices.

On March 1, **digiMine** moved into 19,000 square feet at Bellevue Place, more than doubling the space it had at a previous location in Kirkland.

The deal also adds six **CoRelation** customers to the 30 **digiMine** currently has. The additions include online bookseller **barnesandnoble.com**, which uses **CoRelation's** patent-pending search engine technology to suggest book titles to customers.

**Sider** said **CoRelation's** focus on data customization and recommendation is a good complement to **digiMine's** deep statistical analysis.

"They're experts in this stuff," **Sider** said of **CoRelation**. "It's a great match."

**digiMine**

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Since its founding, **digiMine** has raised \$25 million in two rounds of funding.

The company was started by ex-Microsofties **Nick Besbeas**, **Bassel Ojeh** and **digiMine's** chairman and chief executive officer, **Usama Fayyad**, who started and spent five years in Microsoft's data-mining group.

**DigiMine's** backers include the **Mayfield Fund**, **Second Avenue Partners**, **Deutsche Bank Technology Fund**, **Cedar Grove Investments** and **Kellett Investments**.

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