

# ENHANCING FINANCIAL FLEXIBILITY FOR BIG DATA STARTUP ATSCALE

Dave Mariani and a group of ex-Yahoo executives founded AtScale in 2013. Until recently, the Big Data startup has operated in stealth mode. With its recent product launch, the focus has shifted to scaling.

The team's combined background at Yahoo, Klout, PeopleSoft, and Siebel Systems had given its members a catbird seat to witness the industry's big transition from relational databases to the open-source software Hadoop, which facilitated a new way of storing and accessing complex data.

The idea for the Silicon Valley-based startup grew out of the founders' desire to make Hadoop work for business users.

Having been frustrated by efforts to find a product that didn't exist, CEO Mariani and his team decided to stop waiting and solve the problem for themselves.



## **About AtScale**

*AtScale is a Silicon-Valley based startup that allows business users to access and analyze large amounts of data for business intelligence via any tools they choose.*

The mission was simple: to make data more available to decision-makers.

AtScale's focus is on helping enterprise clients across a range of industry segments transition to managing their data warehousing on Hadoop.



# ***Launching AtScale and Engaging with EGFS***

## ***About AtScale***

The AtScale solution: software that enables its clients to access Big Data directly, in real-time and analyze it via whichever tool they feel most comfortable with, be it Excel, Tableau, QuickView, or virtually any other business intelligence tool.

The revenue model is based on selling on-premises software for enterprise clients. As such, it is installed at the customers' site and there is no hosted component.

The startup charges its customers on an annual subscription basis with prices set based on the number of users and the size of Hadoop's cluster. Additionally, AtScale offers software support and other ancillary services via a licensed software sales model.

Because of the stringent business requirements this customer base has, selling to them requires the kind of specialized know-how the founders gained in their prior roles.

AtScale already has a number of enterprise customers including Yellow Pages, Wargaming, and eBates, and is in advanced trials with many more.

Other startups such as Platfora also offer business intelligence tools on Hadoop,

but their approach entails an extra step: namely moving data into a specialized engine before users can query it. This is in contrast to AtScale's approach, which does not involve moving data.

## ***Engaging with EGFS***

When Mariani and his team launched their business with \$2 million in seed round funding (from Storm Ventures, XSeed Capital, and AME Cloud Ventures), they knew right away that they needed financial help.

As Mariani explains, "I wasn't comfortable running the books myself." So he turned to fellow founders for suggestions for an outsourced financial firm that could offer a range of services from bookkeeping to CFO services.

***"I wasn't comfortable  
running the books myself"  
-Dave Mariani***

A recommendation from another EGFS client, Klout, led the team to the look to EGFS for outsourced financial services support.



## ***Providing a breadth of hands-on financial services and support***

Asked to cite the main reason AtScale chose EGFS over other contenders, Mariani cites EGFS' greater depth of services -- "there was a company behind the business"-- versus the alternatives.

### ***Flexible Accounting and Finance Support***

The firm's more extensive process and backup in terms of infrastructure gave the team at AtScale a greater sense of security.

EGFS handles AtScale's bookkeeping, manages accounts payable (A/P) and processes bills electronically, with transactions captured digitally via Bill.com.

As Mariani explains, "Every single invoice has a paper trail and is stored and captured, with no opportunity for error."

AtScale's EGFS accountant ensures the company's accounting entries upload properly to QuickBooks while its outsourced CFO creates the financials packages including those used in monthly meetings and board decks; handles the month and year end financial close and tax reporting; and generates financial reports and budgets.

Mariani especially likes what he describes as the "very low touch" aspect in terms of the amount of time he has to devote to managing financial transactions and record-keeping.

***"We chose to work with EGFS because there was a company behind the business." – Dave Mariani***

He also appreciates the flexibility: "how it's elastic at times when I do need more help." For example, when AtScale's team needed help putting together the company's financial plan and budgeting prior to its raise, the EGFS team dedicated more time.

Because of this "elasticity, we only need to use what we need to at that point."

The result is that AtScale benefits from EGFS' professional financial management while enjoying the cost savings gained from not having to hire a full-time in-house financial manager: a critical benefit for any early-stage startup.



## What's next for AtScale?

In terms of impact on AtScale's business, partnering with EGFS has freed Mariani and his team to work on other mission-critical business activities.

***"The leverage that EGFS provides allows me to focus on my business."  
-Dave Mariani***

As he explains, through outsourcing they have avoided the opportunity cost of working on areas that were "not core to our product or to building our customer base."

The leverage that EGFS provides allows them to focus on building product, signing customers, and getting to scale: not on the behind the scenes activities of accounting and financial management.

Mariani's goal is to build partnerships that would allow the company to help make the Hadoop stack more valuable for the enterprise.

AtScale is working with Cloudera, HortonWorks, MapRI Tableau Software, and QlickTech (visualization tool vendors) as well as pursuing partnerships with systems integrators to get its software more broadly distributed to enterprise clients.

Asked if he would recommend EGFS to other startup founders, Mariani's response is, "Definitely. I think I already have."



## ***About Early Growth Financial Services (EGFS)***

*EGFS provides outsourced financial services and support to companies at all stages of development. We offer a complete suite of solutions and support, from CFO services and high-level financial strategy to day-to-day accounting, taxes and valuation.*

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