



## **NTag bags \$8M Series B**

by **George White** Posted 03:36 EST, 17, Aug 2007

**NTag Interactive Corp.**'s investors like the company's interactive conference badges so much they've come back to give the startup a further \$8.3 million in growth capital.

Insiders **Sevin Rosen Funds** in Dallas and **Pilot House Ventures Group** in Boston co-led a Series B round for nTag that gives it just under \$23 million in venture funding, according to chief executive David Goretski.

The two firms first invested \$6 million in a Series A that closed in January 2005, but changes in the company's leadership and business plan brought them back for an \$8 million add-on a year later at the same valuation.

Founded in 2002, the Boston-based company makes interactive wireless badges for use at conferences.

The first generation of badges was designed to let attendees at trade shows exchange information seamlessly, but the second generation, launched in January, is far more ambitious in that they track and aggregate attendance and survey data to help the people hosting a conference determine exactly what attendees were getting out of the event.

Equipped with keyboards, the tags are rented for about \$60 to \$100 per attendee and include back-end software that allows for networking before and after the event, messaging between attendees at the event, real-time surveys and a portal that allows attendees to manage their daily contacts and download them to a permanent home.

For conference organizers, the badges allow for attendance tracking and messaging to a particular group at the event. The badges also have sponsorship capabilities.

Goretski expects nTag to reach profitability in the second half of 2008, even as the company increases head count fivefold, from 14 to 75.

"We're going to split [the money] evenly between R&D and increasing our sales force," said Goretski in an interview. "The traction we've gained since the release of the second generation of our product in January has put us in a situation where we wanted to step on the gas in terms of growth around sales and marketing."

In addition to expanding sales and engineering, nTag is actively building partnerships with convention centers in major cities like San Francisco, Las Vegas and Orlando, Fla.

"We want to focus on working with the large venues to put our infrastructure in permanently," said Goretski. "Since we keep coming back to the same venues, we're starting to develop relationships to put our infrastructure in permanently and work off a revenue-share model with the venue itself."

Goretski went on to say that this might not be the company's last round of private funding, as nTag has started looking at taking its offerings abroad. "Some of our larger clients are global customers who I know are going to take us to international destinations," he continued. "We already did events in Madrid and Berlin this year, and if that continues, I can see us raising more equity to increase our footprint internationally."

Major corporate clients include **IBM Corp.**, **Freescale Semiconductor Inc.**, **Pfizer Inc.** and **General Electric Co.**

**DLA Piper** represented the company in the financing.