

SnapLogic eases ties between cloud apps

BY JON XAVIER

SAN MATEO – There is Salesforce.com for sales. Box.net for file transfer and collaboration. Zuora for subscription billing. Today's enterprises can choose a cloud application to help run virtually any business process.

That's convenient, but it's also a problem. To function best, these software applications need to be able to easily pass data to each other, and because of the sheer multitude of them, it's impossible for a cloud company to make its products work out of the box with everything on the market.

That's where SnapLogic Inc. comes in.

CEO Gaurav Dhillon offers a cloud-based software platform that lets users build what it calls "Snaps," lightweight software modules that let them automate the process of getting data out of one application and into another. The company has \$18 million in funding from Andreessen Horowitz and Maples Investing.

Dhillon is no newcomer to data integration, either. His previous data warehousing and analytics company, Informatica Corp. went from his garage to an IPO in 1999 on its strength in dealing with data, and now is a \$650 million public company.

Automating data integration with a "snap" is a considerable improvement over the way it might otherwise be done, which was entering the data manually, or paying someone else to do it, Dhillon said.

"Shock, horror, that's still how most integration is done," he said.

Steven Mandelbaum, managing director of information systems at The Advisory Board Co. said the publicly traded Washington, D.C.-based market intelligence company had previously done data entry this way. But when the company converted to Salesforce, he said it made sense to find a more elegant solution for moving a large amount of sales data into the new system. In particular, The Advisory Board was looking for something flexible that could work in near-real time, two attributes that SnapLogic delivered.

In some cases, it's not so much getting the data from one program to another. It's automating the way it's handled. Subscription and billing software vendor Zuora Inc. worked with SnapLogic to solve a vexing problem for its customers — manually processing refunds when a subscriber ends their subscription, a process with a number of steps that can quickly become very time consuming. Marlene Summers, senior

SNAPLOGIC INC.

Headquarters: San Mateo

CEO: Gaurav Dhillon

Funding: \$18 million

Founded: 2006

Employees: 43

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SNAPSTORE HELPS: CEO Gaurav Dhillon opened up development of 'snaps' to third party developers, taking a cut on each one they sell through SnapLogic's online store.

VICKI THOMPSON

manager of Zoura's customer care team, said she worked with SnapLogic to create a custom solution that can handle most of this automatically when a person unsubscribes.

"All those steps you could click through and do manually in Zoura, but when you're looking at an enterprise customer with 10,000 accounts, I mean, they don't want to do that. And maybe they have developers on staff that can code something to do it, but they bought Zoura thinking they weren't going to need a big development staff," Summers said. "So SnapLogic was able to fill in that gap."

Still, with all the different cloud applications on the market, even SnapLogic couldn't keep up if it did everything in-house. That's where Dhillon took a little inspiration from Apple Inc. The company opened the SnapStore, a marketplace very consciously modeled on Apple's App Store. The SnapStore opens the platform up for third-party developers, allowing them to create their own "snaps" and sell them for profit, with

SnapLogic taking a small cut. This increases the number of applications and the speed at which new applications can be adopted, Dhillon said.

"The thinking is no one company can afford to support everything and, even if you did, it's shockingly expensive to keep them all up to date," Dhillon said. "But for us, it's just like Apple, their job is to sell phones, and if third parties make applications, it's a win-win situation. The SnapStore is a breakthrough. It's an application of the iPhone principle to the still painful integration market."

That's important, because interoperability is increasingly becoming table stakes for a cloud service provider, said Summers. If you can't integrate into your customer's existing software, you can't compete, she said.

"I think it's literally the crux of our success as a company," she said. "You can't be in the SaaS world by yourself. You have to blend in and make yourself open and accessible for the other systems to talk to."