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## PlanView gets \$25 million infusion

**Money is 15-year-old Austin software company's first from a venture capital firm.**

**By Lori Hawkins**  
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Austin software company PlanView Inc. has raised \$25 million, the first outside investment in the company's 15-year history.

The investment is among the largest raised by an Austin company this year.

PlanView said it will use the money from Apax Partners, a New York-based private equity investment firm, to grow in a rapidly expanding market and to allow some shareholders to cash out their shares.

The company develops software that helps businesses make technology investment decisions and evaluate their cost and value. PlanView has 230 employees and 350 customers, including Farmers Insurance, Volkswagen of America Inc. and Pfizer Inc.

Only one Central Texas companies has landed more money this year: Videoconferencing company Lifesize Communications Inc. raised \$29.5 million. ClearCube Technology, which develops PC blade computing technology, also raised \$25 million.

The deal marks a big shift for PlanView. In building the company, founder and CEO Patrick Durbin says he never accepted a penny of venture capital and never took out a bank loan.

"We've been running the company for 15 years basically on cash flow," Durbin said. "But the market started changing, and getting much larger than it was. The risk was that we could end up becoming a very small player in a very large market. You become insignificant."

So PlanView is picking up its pace, he said. The money will enable it to make acquisitions, step up expansion in Europe and complete products faster.

PlanView is competing in a fast-growing market segment. IBM Corp. got into the game last month by acquiring Systemcorp Ltd. of Montreal. Other competitors include Mercury Interactive Corp., PeopleSoft Inc. and Compuware Corp.

"This market is definitely consolidating, and PlanView needs funding to be able to compete effectively," said Dennis Gaughan, research director with ARM Research in Boston. "Right now the market is growing, and there are lots of opportunities. It's how PlanView uses the money to broaden its portfolio that will decide how it does."

Apax, which now owns a minority share in PlanView, said the company caught its attention with year-over-year, double-digit revenue growth and is a leader in its market. Privately held PlanView does not disclose financial details.

"We liked the company. We liked its positioning. We liked the market and management," said general partner Greg Case. "You add all those things up and it was a pretty easy decision to make."



With the entrance of Apax, PlanView's long-term goal now is to make an initial public offering or be acquired in five to seven years, Durbin said.

"Historically I never thought too much in terms of things like an IPO. We felt our market size and the company size really couldn't substantiate that," Durbin said. "Now that the market is larger, all of a sudden the opportunities change dramatically."

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