

Stamford startup measures a booming digital media market

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The Stamford Innovation Center is quickly gaining a reputation as the city and state's launch pad for tech businesses with more than a dozen startups currently under its roof and several successful former tenants striking out on their own.

Among the innovation center's alumni is Tru Optik, a digital media analytics company in Stamford that uses patented data collection technology to measure audiences who view digital media via the internet rather than through the traditional cable, satellite and other pay-television services.

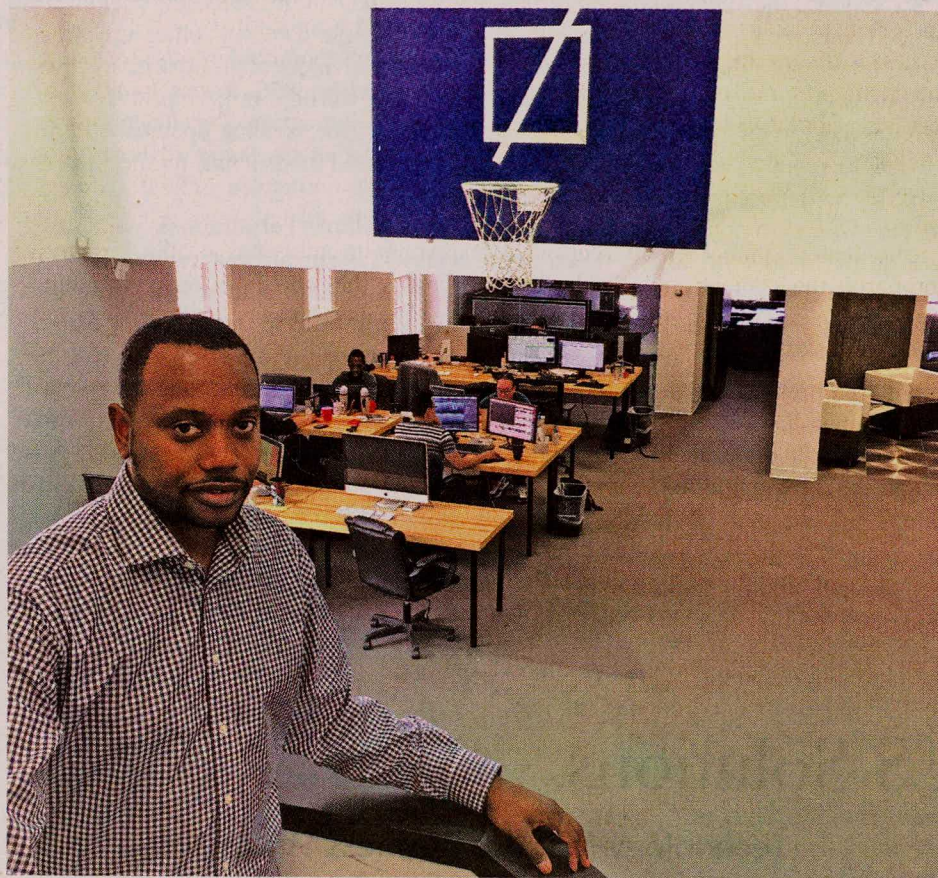
According to co-founder and CEO Andre Swanston, Tru Optik is essentially on the cutting edge of the new frontier of media consumption as streaming media services like Netflix, Apple TV, Hulu and Roku and internet-connected televisions and gaming consoles are leading a generational shift in media consumption, along with unauthorized or pirated peer-to-peer downloads.

"What we realized is that everybody was chasing the same old stuff and using the same old tactics," said Swanston, who started the business in 2013 with co-founder Alex Geis, Tru Optik's chief technology officer.

"All of the audience measurement and consumer intelligence and insight that people are getting has been based off of the same core. There has been no innovation in the space. People are still using panels and surveys for TV data and consumer research," Swanston said. "There is half a billion people around the world that download and stream movies, TV shows, video games, software, music, e-books from peer-to-peer sharing and nobody was measuring it."

In a 2015 analysis, Tru Optik estimated that over 500 million consumers shared over \$800 billion of digital media via peer-to-peer networks in 2014. Movie and television content accounted for over half of all global download activity.

By measuring both the illegal and legal services by which consumers obtain and view media, Tru Optik has positioned itself as the only audience measurement and data management platform built for non-traditional media providers, also known as



Andre Swanston, co-founder and CEO of Tru Optik at 422 Summer St. in Stamford. Photo by Reece Alvarez

over-the-top viewing.

Swanston, a vice president of investments at JPMorgan Chase from 2010 to 2012, started laying the groundwork for the company with Geis in 2011. "I reached out to him because he was the smartest person I knew," Swanston said of his co-founder. "I can't code - no tech background whatsoever."

A year later, the two partners self-funded the company with roughly \$220,000, 85 percent of which went to purchase the hardware necessary to store and analyze the massive amounts of data they would collect on tens of millions of unauthorized downloads exchanging hands across the internet.

"It doesn't matter if some of it is considered piracy, from a pure data perspective, it is the largest and most granular and most indicative leading indicator of audience demand for a trillion dollars worth of media," Swanston said of Tru Optik. "(If) the alternative to getting data from half a billion people is doing a survey on 2,500 people, which one is more valuable?"

Swanston, 35, traced the business ac-

men that led him to this niche market to his youth in the Bronx and his days as "the biggest club promoter and event promoter in southern New England" learning about the latest black-market music trends in the 1990s and 2000s.

"If people aren't buying it or sharing it or downloading it or streaming it off-network, it's not relevant. That's indicative of what is going to perform commercially," he said. "That has always been my mentality. Even if you look at finance, you want to buy low and sell high. People are always looking for pockets of opportunity of understanding where trends are going."

Swanston and Geis were advised to open shop in the Stamford Innovation Center (SIC) after finding their first angel investors through Douglas Roth, director of investments at the Connecticut Innovations state agency.

Both Stamford, drawing regional talent away from Manhattan with its preferable commutes, and the innovation center (SIC) serving as an incubator of ideas and startup

activity, proved to be a boon for Tru Optik.

"For a town the size of Stamford, there are a lot of venture-backed startups and almost all of them we know were at SIC and raised capital and then moved out," Swanston said. "It ended up being a good resource for meeting other entrepreneurs and kind of getting tapped into the ecosystem."

Swanston singled out the help of Peter Propp, the innovation center's chief marketing officer.

"Our approach was to get to know the company and then, as requested, provide support around strategy and messaging along with introductions to investors and other key resources who could help them achieve their goals," said Propp. "We miss having them around but are proud that we were able to provide them with a well-priced office with a short-term lease that they were able to leverage to grow their business."

In addition to the cultural benefit of having dozens of like-minded entrepreneurs sharing the same space, Swanston said the office leasing options made possible through the SIC were a significant help in the early stages of the business. "To not be tied into a five-year lease in downtown Stamford - having more flexibility - made the task of starting a company less daunting."

Now at 20 employees and projecting staff to rise to 40 by summer 2017, the company is on a growth trajectory, raising \$2.5 million in funding in the last 12 months. Swanston predicted an eightfold increase in revenue for this year and the next.

Being a startup enabled Tru Optik to get the edge on audience measurement giants like Nielsen, Adobe and comScore, Swanston said.

"None of them we're prepared for it. Maybe it wasn't being forward-looking enough, maybe it just didn't just make sense because they were making so much money on the other stuff where we just benefited from being able to focus on the future," he said. "That's what's good about startups. Most innovation in every industry comes from a startup and I think it is because you are able to have people who aren't locked in to legacy ways of thinking either strategically or technology and they can focus on innovating. Their only job is to come up with something new."

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