

HiveLive builds company-sponsored social networks

By Hilary Lane

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BOULDER - Between setting up mashups and crowd-sourcing for business enterprises, Boulder-based HiveLive Inc. is buzzing with activity.

With its innovative, patent pending Hive - a Web 2.0 series of configurable building blocks that integrate social and information networks - co-founding brothers John Kembel and Geoff Kembel developed a solution for businesses, which will enable them to reach their goals through online interactive, people-powered communities. HiveLive specializes in enterprise social networks, which are social networks sponsored by a company for its customers.

"We believe that most business communities are unique, so we turned the cake upside down," said John, the company's chief executive. "We start with people and offer new customer-community building blocks, such as blogs, wikis, forums and social networks, and staple them together instead of using them individually. Our solution is a better way to connect people who share knowledge and relationships. We can share anything with anyone."

This innovation earned HiveLive a Boulder County Business Report IQ Award in the Internet/Software:Business category.

With the combined solution, known as the LiveConnect Community Platform, crowds can brainstorm, invite customers into the community, ask for ideas, vote on what ideas they like best, co-design products, and interact and collaborate about their needs all with the click of a mouse - without involving coding.

This "crowd sourcing" can lead to company product changes and releases.

Geoff emphasized that the HiveLive platform is secure and on-demand, which means no installation, upgrades or maintenance. This makes it easy and inviting for community members to participate.

From HiveLive templates each customer can easily customize the functionality, look and feel of the business community sites. The spaces in the "hives" can be private or public. They can be shared by everyone or be a select few.

As Stanford graduates with backgrounds in startups, academia, engineering and design, John and Geoff Kembel began HiveLive in early 2006. Their initial prototype targeted consumers who used MySpace and Facebook, said Geoff, the company's application architect director.

"We launched to friends and family, and the prototype ended up in Ryan Marten's hands," Geoff said. Martens, founder and chief technology officer of Boulder-based Rally Software Development Corp., "thought there was something to the product and asked for some tweaking."

With an infusion of \$2.2 million in late 2006 and after securing venture financing of \$5.6 million in February 2007 from Grotech Capital group and private investors, the current HiveLive iteration launched in November 2007.

Rally Software uses HiveLive communities to create its own topic areas, run multiple discussions and have its customers become co-designers.

"For example, company engineers preview new product features and collect feedback. Users vote on what they want to see in their next release. The company enhances their products based on the crowd voting," Geoff said.

Rally currently has 3,000 active members.

Another early adopter is Redwood City, Calif.-based Serena Software, a company working on business "mashups," Geoff said. Serena's Mashup Exchange - powered by HiveLive - is the first of its kind.

Mashup Exchange partners choose tools to build micromarket menus with templates, workflows, maps, locations, components and Web services to enable disparate applications and business units to automate common processes.

According to John, pricing for the HiveLive platform depends on the size of the community base. The average contracts are for \$30,000 to \$50,000 per year, "But we signed larger contracts, including the American Accounting Association, for six figures."

HiveLive currently has a dozen customers.

The company has grown to 25 employees, up from eight in January, and has expanded into more space.

"We're like a vine growing across our building," Geoff said. "Things are changing pretty fast. It's a competitive space, defined as we go. Social networking is changing the rules of marketing."

John said the company's five-year goal is "to still be working on exciting new shifts in how we work online. That is a significant impact. Things are more about dialog and transparency, opening up in ways we can't predict."