alphabetstreet

A–Z OF eBUSINESS MODELS

Written and researched by Suntop Media

CAPSTONE

A

Adobe Systems

Adobe Systems was founded by John Warnock (now CEO and chairman) and Charles Geschke (president and chairman). Both worked at Xerox's famous Palo Alto Research Center (Parc). Geschke arrived there via Carnegie Mellon and Xavier University. Warnock took a more circuitous route by way of the Evans & Sutherland Computer Corp., Computer Sciences, IBM and the University of Utah.

Adobe helped ignite the revolution in desktop publishing in the early 1980s. Its software includes Adobe Acrobat and Adobe Photoshop. Headquartered at San Jose, CA, it now employs 2,700 people. Adobe's interests include Adobe Ventures and Adobe Ventures II. Venture capital partnerships with Hambrecht and Quist have earned over $100 million since 1994.

Links: www.adobe.com

Amazon.com

Amazon.com must be the most talked about company in the world. For a business that's just five years old that's quite an achievement; for one that has yet to make a single penny in profits, it's unheard of. But then Amazon.com is more than just a business; it's a business phenomenon.

Launched as a website in June 1995, by the beginning of 1999 Amazon.com Inc. had a market capitalization of $6 billion, by August 1999 it had jumped to $20 billion. Amazon's value can vary by several billion depending on stock market sentiment. Founder Jeff Bezos has promoted Amazon.com to the point where it is now synonymous with ecommerce.

Today, the Seattle-based company (with its Slough-based subsidiary, Amazon.co.uk) is a major feature of the new business landscape, but how it got there remains something of a mystery.

Back in 1994, Bezos was a youthful senior vice-president at a Wall Street hedge fund. His prospects looked good, but Bezos, a Princeton graduate in electrical engineering and computer science, had other ideas. Surfing the net one day he stumbled on a remarkable statistic – web usage was growing at a rate of 2,300% a month. Online commerce, he realized, was the future.

He drew up a shortlist of 20 products he thought could be successfully sold over the web. The list included music, magazines, PC software and hardware – and books. The list was shortened to books and music. In the end books won. He reasoned that with more than 1.3 million books in print versus 300,000 music titles, there were more to sell and fewer big fish.

Five years on and the company is worth more than the combined value of Barnes & Noble and Borders, its two biggest competitors, and continues to grow at a voracious rate. Bezos understands that explosive growth is vital to the new model. So far, he has foregone profits, preferring to plough the money generated by sales into growing the business.

In ecommerce, however, first-mover advantage does not provide a safe sinecure for life. Traditional suppliers are creating their own direct channel to the customer. In the next few years, customer loyalty will be the battleground. The question now is whether Amazon can successfully position itself as a seller of everything, using the online environment as a tool to build and manage the customer relationship. The key question will be whether the value-added component of the Amazon formula is sufficient to ensure customer loyalty over the long-haul.

Links: www.amazon.com

Apple

Apple was founded by Steve Jobs and Steve Wozniak in 1976. Working out of a garage at first, Jobs and Wozniak built the Apple I and II computers, which made them computing folk heroes. They went on to develop the Apple Macintosh, a computer with panache in a world of beige blandness.

Wozniak left the company to become a teacher. Apple got in the ring with Microsoft and slugged it out to see who had the best business model. The battle turned on the issue of licensing operating systems. Microsoft had an operating system (OS) called MS-DOS, developed for IBM, and it was happy to let any PC manufacturer use it as long as Microsoft was getting a fee. Apple sold the operating software with their computers but wouldn't license it to other PC manufacturers. Microsoft won by a knockout; IBM clones inherited the PC world.

In 1985, with Apple's fortunes at a low ebb, Jobs was booted out by ex-Pepsi chairman John Sculley, who Jobs had himself brought in to add some business know-how. Not long after, Sculley was on his way, too. Followed by

Michael Spindler. Then Gil Amelio. Until finally, at the request of Amelio, the wheel spun full circle and Jobs returned to the company he helped to found, as interim CEO and savior.

It was the right move at the right time – some would say in the nick of time – and it wasn't long before Jobs was showing his old flair with the introduction of the classy and beautifully designed iMac range. If computers were works of art, then the iMac would be hanging in the Louvre.

Ironically, Bill Gates and Microsoft applauded Apple's comeback. Microsoft invested $150 million in the company after Jobs' return.

Links: www.apple.com

B

Boo.com

Boo jumped out onto the Internet in November 1999. Its launch was accompanied by a fanfare familiar to Internet observers, including a marketing campaign that highlighted an impressive range of established fashion brands that would be available via the website of the online fashion retailer.

Unfortunately for Boo and its Swedish founders, Ernst Malmsten, Kajsa Leander and Patrik Hedelin, the site's launch was not as smooth as they might have hoped. Boo had already been criticized in the press for a delayed launch, with fingers pointed at bugs in the site structure. Post launch, others jumped on the bandwagon, complaining that the site was difficult to browse if the viewer had a slow Internet connection, or lacked the correct plug-ins. Plus, a cardinal sin to many, the site lacked Mac support. Boo responded with site redesigns and said it intended to build a Mac-compatible version.

Boo's aim of delivering the first truly global online retail site for fashion and sportswear was an attractive one. If it had gained momentum as a first mover, then it could also have been a lucrative one. After the adverse publicity, the difficulty lay in convincing customers to visit the site and purchase the fashion goods.

In May 2000, Boo became the first significant ecommerce company to go into liquidation.

Buy.com

Buy.com is the online company that makes money from losing money. At least that's what Scott Blum chairman and founder hopes. The company, based in Aliso Viejo, California, loss-leads on products, selling them at or below cost. The success of the business model depends, firstly, on attracting a substantial user base. With 2.3 million customers buying products from computers to sports equipment, buy.com has made good progress attracting the eyeballs.

The second part of the plan is the more difficult. People will visit a website and buy products if they are sufficiently cheap and the online purchase process is smooth enough. But where do the profits come from? Buy.com hopes they will come from the sale of advertising space and other services like warranties and the leasing of equipment. The shareholders hope so too – Buy.com's shares started trading on NASDAQ in February 2000.

Links: www.buy.com

C

Cisco

The rumor is that the Internet is going to change the business world as we know it. But while investors get their portfolios in a twist over the meteoric rise in the share price of dot-com companies, spare a thought for the people who make the whole thing possible.

Cisco Systems, based in San Jose, California, is the worldwide leader in networking solutions for the Internet. Surf the Internet for a couple of hours and chances are you will have accessed dozens of sites supported by Cisco products. The company supplies 80% of the Internet's routers – specialized computers that direct the packets of information speeding along the information superhighway, making sure they take the quickest route to their destination. No routers – no Internet. And then there are firewalls, web servers, web cache, ethernets and a whole load of other essential network products.

The company serves customers in three target markets:

- Enterprises – Large organizations: corporations, government agencies, utilities, etc., with complex networking needs often spanning different locations and computer types.
- Service providers: Companies such as ISPs (Internet Service Providers) offering information services.
- Small/medium business: Companies that need data networks with connection to the Internet or each other.

Cisco's big selling point is that it delivers an end-to-end service. It provides the hardware, the software, and the expertise to install the systems and support them. The company describes itself as a global networked business. The global networked business model, according to Cisco, uses the network to gain competitive advantage by "opening up the corporate information infrastructure to all key constituencies". Using this model, Cisco makes operating cost savings of over $550 million a year.

Since Sandra Lerner and Len Bosack, two Stanford University employees, founded the company in 1984, Cisco has delivered phenomenal growth, more than doubling in size every year.

The company doesn't just provide the means to transact business over the Internet. It's own website is one of the largest ecommerce sites in the world with 84% of Cisco's orders conducted over the web.

Links: www.cisco.com

CMGI

CMGI, the Andover, Massachusetts-based Internet holding company, is an eclectic collection of operating companies that have spread their tentacles throughout the Internet. Through its @Venture venture capital funds the company invests in and incubates promising start-ups. The beauty of the operation, however, is the next stage. CMGI takes the fledgling companies public, retaining a significant share and incorporating them into the CMGI network of companies. So a $6 million investment in GeoCities brought in $1 billion when GeoCities was sold to Yahoo!. And $2 million sunk into Lycos is now worth over $700 million. As business models go, it has its attractions.

But CMGI isn't content just to invest in companies and leave at that. By fitting the chosen companies into its superstructure, the companies benefit from the synergies created, e.g. increased traffic. At the eye of the storm is Alta Vista, purchased from Compaq in June 1999 for $2.3 billion. Other companies under the CMGI umbrella include Adforce, NaviSite and Engage.

Regardless of operating losses – currently around the $127 million mark – CMGI looks certain to be a major Internet player for some time to come. With 1,500 plus business plans passing across its virtual desk a month CMGI is expected to add 50–60 new companies to its portfolio in 2000, as well as 9 or 10 IPOs, adding a possible $10 billion or so tradable securities to its existing collection. That's in addition to the 40 plus investments and 12 majority-owned companies it already has.

Links: www.cmgi.com

D

Dell Computers

The company founded by Michael Dell is the benchmark for new business models. Michael Dell's inspiration was to realize that PCs could be built to order and sold directly to customers. This had two clear advantages. First, it meant that Dell was not hostage to retailers intent on increasing their mark-ups at its expense. Dell cut out the middlemen. By doing so, he reduced the company's selling costs from a typical 12%t of revenue to a mere 4–6% of revenue.

Second, the company did not need to carry large stocks. It actually carries around 11 days of inventory. "The best indirect company has 38 days on inventory. The average channel has about 45 days of inventory. So if you put it together, you've got 80 days or so of inventory – a little less than eight times our inventory level," says Michael Dell.

In any language, high profit margins and low costs make business sense. In the fast-growing computer business they are nirvana.

While Dell has been growing explosively, Compaq has been growing at less than 20%. (Dell has now overtaken Compaq.) Inspired by such raw statistics, emulators have come thick and fast. "There is a popular idea now that if you reduce your inventory and build to order, you'll be just like Dell. Well, that's one part of the puzzle, but there are other parts, too," Dell has said. He explains the company's success as "A disciplined approach to understanding how we create value in the PC industry, selecting the right markets, staying focused on a clear business model and just executing."

While the notion of selling direct is appealing, companies that do so are only as good as their ability to deliver. Dell's model creates a direct line to the customer which the company has proved highly adept at maximizing. The result is "mass customization" as opposed to the traditional method of broad market segmentation.

"The Internet for us is a dream come true," says Dell. "It's like zero-variable-cost transaction. The only thing better would be mental telepathy."

Links: www.dell.com

DoubleClick

In 1999 advertisers spent $4.6 billion on Internet advertising, according to a study by the accounting firm PriceWaterhouseCoopers and released by the Internet Advertising Bureau – up from $1.92 billion in 1998. Managing the Internet advertising needs of the world's corporations is a complicated business – but not too complicated for DoubleClick, one of the top Internet advertising specialists: a sort of New Economy Saatchi & Saatchi.

Founded by Kevin O'Connor in 1996, the company has grown rapidly from its New York HQ and now employs more than 1,800 employees and delivers services to over 7,000 customers worldwide.

DoubleClick has three business segments: Techsolutions, Data Services and Media. Through a combination of these strands, the company can deliver unique one-to-one marketing solutions. Using its proprietary DART targeting technology, advertisers can use sophisticated profiling criteria to position adverts in front of the most receptive audience.

In the quarter ending March 31, 2000, DoubleClick, through its worldwide DART platform, delivered an astonishing 125 billion ads. That's a substantial increase on the 77 billion ads in the previous quarter. It also posted increased gross profits of $57.6 million.

Whilst the accumulation of consumer's profiles, for example, through the use of cookies, which relay information about the user, has enabled DoubleClick to increase the effectiveness of targeted online ads, it has also brought its problems. Privacy on the Internet is an issue that arouses deep passions. After an FTC inquiry into online profiling, a repentant Kevin O'Connor said, in a company statement, "It is clear from these discussions I made a mistake by planning to merge names with anonymous user activity across Web sites."

Links: www.doubleclick.net (see www.netcoalition.com and www.nai.org for net privacy issues)

E

eBay

A website that sells valuable first-edition books, jewelry, beanie babes and grand master oil paintings – it sounds like the online equivalent of Aladdin's cave, a collector's paradise; and that's exactly what eBay is.

eBay is the dominant player in the online auctions business. With 7.7 million registered users bidding on more than 3 million items. It is that most unusual of beasts, a dot-com business that makes profits. In fact, eBay has made money from the first month it was launched.

Pierre Omidyar started eBay in September 1995 after a conversation with his fiancée Pam, now his wife, an avid collector of Pez dispensers (those candy brick dispensers with a cartoon character's head that tilts back). Omidyar, already on the way to his first million with eShop, a company he co-founded and that was eventually bought by Microsoft, gave the matter some thought. His idea was to build a website where collectors could come together to buy, sell and communicate with their fellow enthusiasts. A consumer-to-consumer auction.

"What I wanted to do was create a marketplace where everyone had access to the same information," says Omidyar. Online auctions offer the best of all worlds. Demand meets supply in cyberspace. After more than a century of fixed-price commerce, online auctions mark a return to more traditional pricing. They mean that market forces can do their thing. Friction is virtually eliminated. Adam Smith would have been ecstatic.

Today, eBay is one of the net's top brands, second only to Amazon.com. It ended 1999 with a market value of around $20 billion. Even smarter, some would say, Omidyar brought in the right people at the right time. His first move was to bring in a partner – Jeff Skoll, a friend and Stanford MBA.

Then, in 1997, he recruited a CEO: former Disney marketing executive Meg Whitman was lured away from Hasbro (where she presided over the Mr Potato Head toy line among others) to handle the company's IPO.

From its first auction on Labor Day in 1995 eBay has expanded to handle some 4 million auctions a day. Customers can select from over 4,000 categories, with 450,000 items going up for sale daily. eBay make their money from a seller's fee and a commission on the realized price – often these commissions may only total a few dollars but we're talking about a lot of trades here. Since that first Labor Day auction over 60 million auctions have been completed.

The company has also ventured into B2B trading hoping to benefit from the predicted explosion in business ecommerce. In March 2000 it launched its eBay Business Exchange service.

Links: www.ebay.com

EMC

The growth of the Internet has created an unprecedented avalanche of data that needs to be sorted and stored. The servers that drive the large networks underpinning the Internet and corporate intranets used to provide this function. But that was before the shift to "open storage". Open storage systems place stand-alone storage units in a network. These units can supply data to the different servers on that network even if different companies manufacture them.

The current king of storage is the EMC corporation. The Hopkington, Massachusetts, based company was founded in 1979 by Richard Egan and Roger Marino (who lent their initials to the company name). Initially a supplier of additional memory boards, in 1989 the company refocused its attention on the growing need for specialized data-storage systems.

The provision of intelligent storage systems, made up of arrays of smaller hard disks, allowed companies to access data faster and more efficiently than ever before. This RAID technology (Redundant Array of Independent Disks) has become the accepted industry standard. The company's flagship Symmetrix product was further developed to operate cross-platform – a move essential to its continued success

EMC has not had it all its own way, however. Computer manufacturing giants like Compaq, Sun and IBM have all entered the data-storage fray. But

EMC argues that with no vested interest in selling a branded server – it does not manufacture servers – the company is in a better position to deliver the intelligent storage systems its customers require. It offers systems that work with any server regardless of make.

And the figures seem to prove it. EMC's first-quarter earnings for 2000 were ahead of market expectations at $332 million from sales of $1.82 billion, a 49% earnings increase on the same quarter in 1999.

Links: www.emc.com

E*Trade

While Charles Schwab & Co. pursue the clicks and mortar road to sharetrading domination, E★Trade has opted for the Internet pure-play.

E★Trade was founded in 1982 by Bill Porter to provide trading services to Fidelity, Charles Schwab and Quick & Reilly. Porter soon realized the potential of the Internet to open the world of share trading to a mass market. By 1992 E★Trade Securities Inc. was delivering online investing services via AOL (America Online) and CompuServe.

1996 saw the launch of the etrade.com site and marked the beginnings of the online trading revolution. In the same year Porter handed over the reins to Christos Cotsakos.

The Menlo Park, California based company is now one of the largest online brokers in the world – and the biggest Internet pure-player. The company shows no sign of slowing down either. In the quarter ending March 31, 2000 E★Trade added 603,000 new accounts, up 83% on the previous quarter's 133,000. It also announced its intention to offer wireless access to its trading facilities through a partnership with Verizon Wireless, and rolled out the E★Trade bank, the largest straight Internet bank in the US.

Links: www.etrade.com

Expedia.com

Part of the Microsoft empire, Expedia was launched in 1996 and provides branded travel services for leisure and small business travelers. Since then the company's business has grown rapidly. By September 1999 there were 7.5 million registered users and 930,000 customers had booked tickets and reservations to the tune of $790,000 million. No surprise, then, that the

Expedia website was one of the most visited destinations on the web. (According to Media Metrix, the site was the no. 1 most visited travel site for each of the six months running up to September 1999.)

The business model is based on convenience and greater price transparency – made possible by the net. Cut loose from Microsoft in November 1999, the Expedia IPO was a roaring success with the share price jumping from $14 to over $50. Microsoft, astutely, retained an 86.4% stake in the company and stands to benefit considerably from the growth of the online travel market.

Online travel is big business. Internet sales of leisure and unmanaged business travel are predicted to hit the $28 billion mark in 2005, according to Jupiter Communications, an Internet research firm. As you would expect there's plenty of competition for an invitation to the party.

Expedia is fighting for its share on several fronts. On the website Expedia is continually improving the service offered and removing barriers to online purchasing. A quick visit to the site reveals that online registration, for example, is no longer required, removing one of the more tiresome obstructions to purchasing goods or services prevalent on many websites. Other features include the Hotel and Flight Price Matcher, a technology allowing visitors to specify the price they wish to pay and then trying to match it.

As well as constant improvement to its website, Expedia has moved to expand its business by purchasing online rivals such as Vacationspot.com and Travelscape.com. Expedia's competition has responded in similar fashion. In late 1999 Priceline.com, Travelocity.com and Preview Travel formed an alliance to compete with Expedia. And in March 2000 Travelocity and Preview joined forces in a $644.9 million merger.

Links: www.expedia.com

F

Fatbrain.com

Six months after its launch, a company called Computer Literacy did a brave and, as it turned out, clever thing – it changed its name. After a process that took six months – and the help of the Interbrand consultancy group – the company came up with a new name for their online enterprise: fatbrain.com. It was a bold move and it paid off, with average site visits more than doubling in less than a year after the name change. Fatbrain is proof that a memorable name is a key differentiator on the net.

Visit Fatbrain's website and you could be forgiven for thinking it just another bookselling site navigating the choppy waters in Amazon.com's wake. And given the company's history, starting out as an offline computer books specialist, that's not surprising. Take a closer look, however, and you will notice several key differences. For a start, the larger proportion of Fatbrain's revenues come from business-to-business. The company specializes in delivering one-stop digital publishing solutions to corporate clients, including 300 Fortune 1000 companies. Fatbrain can facilitate the cataloging, publishing and delivering of corporate documents all via the Internet.

In addition Fatbrain provides access to one of the largest selections of technical information world. Books; training and certification courses; industry research; technical papers; and business texts are all part of Fatbrain's extensive repertoire.

The company is now taking online publishing in a new direction with eMatter. A feature on its site allows established authors, and budding newcomers, to publish their own work. As well as supplying business-to-business services Fatbrain also allows consumers to buy eMatter publications, delivered via their secure digital publishing technology. The eMatter channel incorporates new secure digital rights technologies and features original works by well-known authors such as science fiction writer Arthur C. Clarke and Internet marketing guru Seth Godin.

A cursory examination of their best-seller list, however, reveals other literary landmarks such as *The Sinus Cure: A Self-help Guide to Halt Sinus Symptoms* and *Monthly Item Storage Fee (Per Item Number)* in addition to works by the aforementioned authors.

Links:www.fatbrain.com

H

Handbag.com

Handbag.com is a great example of how a well-established bricks-and-mortar business can make a successful play on the Internet. Boots the Chemist is a stalwart of the British high street. It is a company whose name conjures up words like safe, traditional, solid. A sound business, if a little dull, but hardly at the forefront of Internet ecommerce. But there's more to Boots than meets the eye.

Handbag.com was launched in October 1999, a product of a collaboration between Boots and Hollinger Telegraph New Media. This 50/50 joint venture was the first UK Internet service designed exclusively for women. It is a business model based on targeting the most powerful shopping force on the planet. At the time of the launch research suggested that of the 8 million or so UK Internet users, 40% were women. A figure expected to rise to 2 million users by 2004, by which time 50% of all users are expected to be women.

The site offers a variety of themed channels such as beauty, health, fashion and news. Each has its own editor and experts on hand to offer advice to surfers who email their questions in. There is also free Internet access and email available to those who want it. And of course online shopping. Revenues are generated through a mixture of ecommerce, sponsorship and advertising. Break-even is anticipated to be towards the end of 2003.

Handbag.com has quickly established itself as the most popular women's website among UK female Internet users, emphasizing the advantage in ecommerce of being a first mover. In its first three months it welcomed over 300,000 individual users.

Links: www.handbag.com

I

Intel

Intel has long been at the leading edge of computer processor manufacturing. The Pentium processor is as synonymous with the PC as the Microsoft Windows operating system, largely due to the very persuasive "Intel Inside" advertising campaign. Intel built its success on the skillful repositioning of what had previously been no more than a computer component. Through a series of TV commercials, it elevated its microchips to the status of an aspirational brand. This enabled it to bypass PC retailers to grab the attention of consumers. Consumers did the rest – insisting on an Intel inside.

The company was founded by Gordon Moore and Robert Noyce, who left Fairchild Computing to start Intel in 1968. Employee no. 4 was Andy Grove, destined to become first president, and then CEO of the company. Although its first commercial product was a RAM chip, under Grove's stewardship the company grew to become the dominant force in microprocessor production.

In May 1998, Intel appointed Craig Barrett as CEO. Since his appointment Barrett has begun to diversify Intel's operations. In October 1999 the company announced its intention to purchase DSP Communications for some $1.6 billion as well as investing approximately $5 million in Proxicom.

The move to shift the focus of the company is partly a response to the imminent demise of Moore's Law. Moore's Law, named after its proponent and Intel's co-founder George Moore, states that processor power will double every 18 months. The law's validity so far has made Intel a very wealthy corporation. However, as the technology needed to build faster processors becomes more expensive and Internet access through devices other than the PC grows, Intel face the prospect of seeing its revenues from chip manufacturing tumble.

But Intel's diversification is also a sign of the company embracing Andy Grove's belief that "all companies will be Internet companies". Developments such as the WebOutfitters site, a website with content aimed at Pentium III users, demonstrates that Intel is keen to open a communication channel with its customers. Having established one of the most widely recognized computing brands, it intends to leverage it in new way. There is no doubt that Intel is changing focus; the question is whether it can find a role for itself in the new business world that Grove so accurately foresaw.

Links: www.intel.com; www.intelweboutfitter.com

J

Jungle.com

In general the UK, like the rest of the world, lags behind America in realizing the possibilities the Internet presents for business. British entrepreneur Steve Bennett is the exception. In 1989, Bennett founded Software Warehouse, one of the UK's leading computer mail-order companies. When it launched its website in 1996, the company was the first UK computer company to sell its products on the Internet, alongside more traditional distribution channels. By 1998 some 4% of sales were transacted online and Bennett decided to focus his attention on developing the Internet side of the business.

An approach by beyond.com, the US Internet software giant, to buy Software Warehouse set Bennett thinking. He wasn't that impressed with beyond.com's website, yet they were already listed on the stock exchange despite only having traded for a few years. Bennett figured there was a gap in the UK market for an on-line store selling a range of branded goods at competitive prices. He moved out of his office at the Software Warehouse HQ, appointed a managing director and launched jungle.com in August 1999.

Jungle.com hit the ground running. In its first few months it had signed up 100,000 members off the back of a £10 million promotional giveaway. Bennett has built the company's success around offering customers the most competitive prices on branded goods. CD's, computer games and videos – jungle.com offers at a substantial reduction on High Street prices.

Jungle.com builds customer loyalty through loyalty points and customer service, as well as through strong branding around the jungle theme. As first mover in the UK, in what is potentially a very competitive market, so far Bennett is king of the jungle.

Links: www.jungle.com

Jupiter Communications

The New York City based Internet consultancy Jupiter Communications was founded in 1986.

The company is one of the leading authorities, world wide, on Internet ecommerce. It provides analysis and insight to help its clients gain a competitive advantage in the complex world of the Internet economy.

Jupiter Communications offers its consultancy services on a continuous subscription basis. Clients receive information on industry trends, forecasts and current best practice backed by Jupiter's own expert analysis.

Links: www.jupitercommunications.com

L

Lastminute.com

Founded in 1998 by Martha Lane Fox and Brent Hoberman, lastminute.com is a UK-based company offering late deals on a range of time-sensitive goods and services – "perishable inventory". The company is one of the UK's leading online brands. This is largely to the blaze of publicity the company and its founders received in the run up to the company's IPO early in 2000.

Fox's appearance – young, blonde, attractive – was an added asset in generating column inches and TV coverage to drum up interest in the company's listing on the London Stock Exchange (LSE). And the public fell over one another to buy the shares. Unfortunately for lastminute and the public investors, the timing was all wrong. The NASDAQ caught a cold shortly after and with it the FTSE index on the LSE. As it was the individual shareholders were disgruntled with their paltry share allotment of 35 shares – a result of massive over-subscription. And then there was the hiking of the offer price, fittingly at the last minute, that also stuck in the craw.

Putting the post issue adverse publicity to one side, however, lastminute has a tough task ahead of it, if it is to achieve its aim of becoming "the global marketplace for all lastminute services and transactions".

Late bookings is a competitive market and if the big carriers and holiday companies such as BA and Airtours get their online act together, then they can make significant inroads into lastminute's market. Lastminute must use its agility and innovation too stay one step ahead of the competition – before it's too late.

Links: www.lastminute.com

LetsBuyIt.com

LetsBuyIt.com is a new take on the shopping co-operative. The Swedish company has rolled out its online version of collective bargaining – "co-buying" – across Europe. The business model is all about the aggregation of buying power.

To participate, customers first have to become members by registering at the website. LetsBuyIt is able to offer keen prices on goods, ranging from kitchen appliances to holidays, by sourcing direct from the supplier. The company has 50,000 suppliers, and the figure is rising steadily. This is a common business model widely adopted across the Internet. LetsBuyIt go one step further, harnessing group purchasing power to get the best price possible.

Members join with other members to express their interest in buying a particular product. The more people who sign up to buy, the cheaper the goods become. Typically the price will move down through three price bands as demand increases.

Members wishing to buy something can check an onscreen graphic to see how many people have joined the co-buy so far and how many more are required to push the price down into the next band. Members enter their co-bid as either the current price or the best price. These are the same when the products price has reached its lowest possible point. If a member selects best price and this is not reached by the end of the co-buy period – each co-buy runs for a set time – then there is no purchase.

The participation of members goes beyond joining co-buys. Members can suggest goods to be put up on the LetsBuyIt website or goods they have found elsewhere on the net. The company also extends its service to online communities, where there is likely to be common demand for particular types of product.

Links:www.letsbuyit.com

M

Monster.com

Monster.com is an online play in the job market space. The company, the flagship brand of the interactive division of TMP Worldwide, provides online job-listings and career advice from its website. By the end of 1999 the company boasted more than 5 million job-seeker members, plus a CV database of 2.3 million unique résumés and over a quarter of a million job ads.

It strengthened its position in December 1999 when CEO and President Jeff Taylor signed a four-year deal with AOL. The deal made Monster the exclusive career search destination for AOL, CompuServe, ICQ, Netscape and Digital City.

The Monster website is a perfect example of a vortal – a vertical portal – offering much more than just job-searching facilities. Industry communities, résumé-writing advice, free subscription newsletter – it's all there on the one-stop careers site.

A site feature is the Monster Talent Market – the world's first auction style market place for talented employees. Here free agents place their detail up on the site and employees bid for their services. As CEO Jeff Taylor says on the website, "This is a free agent world."

Links: www.monster.com

O

Oracle

Oracle is one of the largest software companies in the world. Originally known as System Development Laboratories, the company was co-founded by Larry Ellison, Bob Miner and Ed Oates in 1977. It swiftly became the leader in the database software market, changing its name to Relational Software Inc., in 1978 and finally to Oracle Corporation in 1982.

In 1998, under Ellison's dynamic leadership the company took a strategic shift in direction. Its flagship software product – the client–server version of Oracle Applications – was abandoned. Instead Oracle focused on the development of an Internet database, releasing the pioneering Oracle8i.

At the heart of Oracle's Internet platform Oracle8i is the world's first Internet database.

Links: www.oracle.com

P

Priceline.com

Jay Walker, founder and vice chairman of Priceline, is one of the most famous sons of the new economy. More than just an Internet entrepreneur, a Cornell University alumnus and native of Queens, NY, Walker has made a business out of patenting business models.

For many Americans the first real clue that the Internet was going to change their lives came with the 1998 television advertising of Priceline.com Inc. The ads, starring William Shatner, of *Star Trek* fame, invited consumers to log on and name their price for airline tickets. Disbelief rapidly turned to amazement as Priceline became a household name. In its first year, the company generated revenues of $35 million. Its IPO in March 1999, valued the company at $13 billion.

Few of those watching the commercials realized that what Jay Walker, the man behind Priceline, was doing was stripping the previously hidden economics of airline yield management naked. Few cared. Cheaper airline tickets were enough to get their attention. The business model that the company was predicated on was of limited interest. But to Walker, the business model was all.

Walker bet his personal fortune – made from an earlier foray into an automated magazine subscription renewal service – on the power of ideas. Having stumbled on the fact that business models on the Internet could be patented as readily as industrial processes, he founded Walker Digital – a laboratory for developing business strategy. Priceline.com was one of the first businesses to emerge from that lab.

It was based on a system that allows companies to dispose of excess inventory at optimal prices. The key was the 'double blind methodology', which allows both parties to the transaction to make anonymous bids. This ensures that the provider – initially the airlines – do not undermine their brands or their ability to charge the full fare elsewhere.

Priceline has since now extended its price distribution system beyond transportation into hard goods. The company started Priceline Webhouse Club, a grocery-purchasing service that allows customers to name their own prices, and followed it, in February 2000, with a service selling gasoline using the same system. This has caused eyebrows to be raised. Whether Priceline can make the move from ethereal airline reservations into bulky physical products remains to be seen.

Q

QXL

A European take on the eBay theme, QXL is an online auction holding both business-to-consumer and consumer-to-consumer auctions.

Founded by the *Financial Times* journalist Tim Jackson in September 1997, the company started life as Quixcell, but changed its name in 1998 to aid its European ambitions.

eBay, the US company QXL is frequently compared to, was driven from the outset to bring collectors together to buy, sell and discuss their often arcane and esoteric interests. QXL, however, started out as a glorified shop with an unusual pricing mechanism. QXL acts as both agent and principal. It buys inventory directly from suppliers and sells it through its website. Plus, QXL acts for third parties taking commissions. The goods offered include household goods, electrical goods and gifts.

Although this business model is appealing to the third-party vendors, who may obtain a higher price than expected, the competition is cut-throat. Despite QXL's emphasis on the "entertaining buying experience", why would a consumer risk competing in an auction when they can use a shopping bot to find the best price or visit a loss-leader like buy.com?

Anticipating the potential effects of competition to its bottom line, QXL moved into consumer-to-consumer (C2C) auctions in December 1998.

By December 2000 QXL had 500,000 registered users; operated in Denmark, France, Germany, Italy, the Netherlands, Norway and the UK; had over 1.3 million items for auction over the previous quarter; and had successfully introduced success commissions to its C2C auctions. Still some way behind its biggest threat, eBay, but a well established pan-European platform from which to build.

Links: www.qxl.com

R

RealNetworks

Seattle-based RealNetworks is the recognized leader in the delivery of streaming media over the Internet. Founded in 1994 by Rob Glaser, a Yale computer sciences graduate and ex-Microsoft manager, the company started life as Progressive Networks.

Progressive Networks soon became RealNetworks and in 1995 introduced its pioneering RealAudio sound streaming technology, quickly followed by RealVideo, RealPlayer and RealSystem products. Its business model is based on creating a popular platform for a technology whose time is nigh.

RealPlayer is now the world's most popular audio and video player on the Internet with over 115 million unique registered users. Over 350,000 hours of live RealAudio and RealVideo are streamed across the Internet every week, without allowing for pre-recorded content.

First-quarter 2000 results showed net revenues up 120% to $53.5 million from $24.4 million over the same quarter in 1999. They also emphasized the global nature of the market for RealNetwork products, illustrated by the fact that 30% of RealJukebox users, 40% of RealPlayer users and 25% of net revenues were from outside North America.

All this puts RealNetworks in a strong position to benefit from the broadband revolution confidently predicted by Internet pundits to be close at hand. In a keynote address to the Kagan Streaming Media Summit, CEO Glaser predicted broadband users would grow from 6 million today to 27 million by 2003, and that 15 years from now a third of all viewing time would be on broadband delivered programming. “Over time, the impact of everything that we [webcasters] are doing will have the same impact on traditional broadcast and cable that cable had on traditional broadcasting.” Glaser said.

Links: www.realnetworks.com

Red Hat

Linux is an open-source operating system developed by Linus Torvalds. Open-source software is free. Giving stuff away may not appear a smart, or profitable, business model, but Red Hat, Linux specialists, and one of the leading companies in open-source Internet infrastructure, had an IPO in October 1999 and reported revenue of $13.1 million for the quarter ending February 29, 2000. Confused?

Linux may be open-source software but there’s still money to be made from it, as Red Hat has demonstrated. Red Hat makes its money from packaging up its version of the Linux OS (operating system) – Red Hat Linux 6.0, etc., with a full range of services such as telephone support, consulting on premises, training, certification and priority updates. Founded by Bob Young and Marc Ewing, you might expect the corporatization and commercialization of an open-source technology to upset a few people – not least the multitude of developers in the Linux community who helped improve the Linux OS. But then maybe not – after all over 8,000 members of the open-source community attending Linuxworld voted Red Hat their “LinuxWorld Favorite”. And when it looked like members of the open-source community weren’t going to be able to buy shares in the IPO, Young and Ewing stepped in to make sure they could. There was no shortage of takers.

Many would argue that this kind of commercial clout is exactly what Linux needs anyway if it is to compete with the likes of Microsoft. It would be a shame to develop a great product, never to see it established outside the geek community. Now with several other companies due to join the Linux fray, every computer user may get to benefit from Linus Torvald’s invention.

Links:www.redhat.com

S

Sportingbet.com

Based offshore on Alderney – one of the British Channel Islands – Sportingbet.com is an online betting company set up by Mike Blandford. Blandford hopes to steal a march in the online betting market by taking advantage of restrictive gaming legislation in the United States.

The betting market is a huge one. The London-based research company Datamonitor predicts revenues of $5.5 billion for online gambling by 2004. More than 4 million participants worldwide already have a flutter each year.

Sportingbet has good support. It is backed financially by the venture capital firm Apax Partners among others and is listed at present on the OFEX market. In 1999, the consulting firm Bain & Company hailed it as one of the top six British start-ups. Sportingbet may prove less of a gamble and more of a dead cert, at least that's what Blandford and his investors hope.

Links: www.sportingbet.com

Sun Microsystems

Founded in 1982, Sun Microsystems is a company driven by its vision: "The Network is the Computer". This has even more relevance in today's world of Internet ecommerce than it did back then. Scott McNealy, CEO and co-founder, said early in 2000: "Sun's vision continues to be widely accepted and resonates with bricksters, clicksters, service providers and network equipment providers."

Growing at an astonishing rate, Sun reached $1 billion in revenue by 1988, the fastest ever for a computer company with a direct sales force. Its results for the quarter ending March 26, 2000, took Sun past the $4 billion revenue mark for the first time. The company now operates in over 150 countries and has annual revenues of over $14 billion.

Along the way Sun has been at the forefront of technological development in networking and computing. The company introduced the industry standard for network file sharing (NFS) and, in the mid-1990s carried out research that led to the development of the Java language. Java, designed to run on any computer, has revolutionized the world of programming.

But Sun is not resting on its laurels. The company is continually seeking opportunities to leverage its proven expertise in networking. In March 1999, for example, Sun embarked on an interesting joint venture with AOL – iPlanet. The aim of iPlanet is to help companies develop strategies to compete in the Net Economy. In its first year iPlanet helped 1,000 dot-com start-ups using Sun's own Internet platform.

Links: www.sun.com

Charles Schwab

Charles Schwab & Co. is a pioneer in the financial services sector. Even before its foray onto the Internet the company was providing innovative services to its share-buying customers. It established itself as the leading discount broker with flat commissions under $30. Then, realizing the potential of the Internet for share dealing, Schwab took the discount concept to the web. It prefaced the full introduction of web services with e.schwab, a service set up in 1995 that allowed its customers to execute trades electronically. This service was quickly followed in 1996 by SchwabNow! It captured 10,000 accounts within two weeks of going live.

In January 1998 Schwab moved to amalgamate all its electronic services under Schwab.com and simplify the fee structure to a flat $29.95 for every trade made over the web. The strategy has proved to be a winning one. Schwab is able to provide a multi-dimensioned service to its customers through the Internet. It offers 365 physical branches in 47 states, speech-recognition, touch-tone telephone and email – the so called clicks-and-mortar approach. Currently Schwab services over 6.9 million active investor accounts with over 3.7 million of these online.

As the no. 1 in online trading, handling more than a third of all online trades, Schwab is aggressively adding new customers – 494,000 in the first quarter of 2000 – and the company is well positioned to benefit from the likely increase in trading with the advent of mobile share dealing.

Links: www.schwab.com

Streets Online

Streets Online is the largest independent UK e-tailer and Europe's only entertainment portal, which, monitored by its domain name 'Infront.co.uk', was the most visited e-commerce site in the UK in April 2000. With a staggering 1.49 million unique visitors and visits from 16.2% of all UK home Internet users, it was ranked as the number one UK e-commerce site for the first time by Internet monitoring company NetValue.

"This is fantastic news for UK-based business-to-consumer e-tailers and proves that our business strategy is working. Companies such as Boo.com have shown us all the way not to run a business. Our success has been achieved through sound financial and business principles with limited spend on brand and marketing," says Steve Cole, founder of Streets Online.

Streets Online, which was set up in October 1996, is the UK's leading online supplier of CDs and DVDs and is composed of four key 'business-to-consumer' e-tailing sites: audiostreet.co.uk (CDs), dvdstreet.co.uk (DVDs), alphabetstreet.co.uk (books) and gamesstreet.co.uk (games). Throughout, there is a specific focus on the entertainment market and the provision of a shopping experience that offers speed and ease of use to a destination that is both informative and content rich.

The first Streets Online site was book site Alphabetsreet, which was launched in June 1998 in order to offer a host of features that would appeal to book lovers everywhere. The formula was adapted as the other sites were launched, offering customers the opportunity to browse discounted bestsellers, newly released titles, exclusive content and customer reviews. All sites offer free delivery to any UK location, a unique loyalty scheme, one-click ordering, and fully searchable extensive databases. Facilities recently added are freely downloadable e-books, audio books with sound clips, MP3s, web casts of artist interviews, video trailers and a soon to launched record label.

In February 2000, Streets Online launched an electronic personalized entertainment magazine, *Streetwise*, this was followed by a WAP facility and an 'Xchange' site, with more sites to follow. So far, Streets Online investors have included Dixons Freeserve, Sky BSkyB and the GWR group.

Links: http://www.infront.co.uk/

T

TeleComputing Inc.

TeleComputing, founded by Jostein Eikland, is one of the largest ASPs, or Application Service Providers. Based in Fort Lauderdale, Florida, the company provides software applications to other companies from its own servers. This means its clients no longer have to buy the software off the shelf, install it and have it tweaked to meet their needs. Nor, in many cases, do they have to pay expensive programmers large amounts of cash to drink coffee, eat pizza and go way over-budget designing a custom-made software solution. Instead, a company can outsource its software application needs to TeleComputing.

With over 100 customers already signed up, Telecomputing hosts a wide range of applications from industry-specific systems through to function-specific systems – accounting programs, for example. Pricing models vary from one ASP to the next. ASPs may charge by number of users, by subscriber or by transaction. In Telecomputing's case a charge is made by subscription. Companies pay a set amount each month, per user, and sign up for a fixed-term contract of 3–5 years.

The pricing issue is sufficiently complex, however, for one ASP to offer its ASP flexible billing services to other ASPs!

Links: www.telecomputing.net

Transmeta

Transmeta is another ecompany on a mission. The mission: to make the Crusoe, its all-platform microprocessor, the industry standard.

Founded in 1995 by David Ditzel, Steve Goldstein and Colin Hunter, the privately owned, California-based chip manufacturer operates in a tough market dominated by Intel and its Pentium microprocessors.

Transmeta hopes to thrive by carving out a niche for itself supplying processors suitable for handheld and mobile devices with its specialized processor architecture – a combination of trademarked code morphing software and VLIW (Very Long Instruction Word) Silicon engine. This, many believe, is where the future of the Internet lies. Why is it called after the best known shipwreck victim in literary history? Because "Crusoe has a metaphor of mobility and travel," VP of Marketing James Chapman explained in an interview with the magazine *Red Herring*.

The involvement of people like Linus Torvalds, creator of Linux, Paul Allen, co-founder of Microsoft, and investment guru George Soros suggests the company is a good bet for the future. Intel isn't resting on it laurels, however. With the purchase of StrongARM, a low-power processor targeted at the mobile device market, the king of the microchips has shown its intention to play catch-up with Transmeta in this critical market.

Links: www.transmeta.com

U

University Access

University Access (UA), the Los Angeles-based online education provider, has a stated aim to be the global leader in online business learning for the corporate and academic markets. UA's ambitions were boosted early in 2000 when it raised $42 million in finance. The company will use the money to fund its rapid growth.

Education is tipped as one of the biggest growth sectors in the 21st century. With Internet delivery allowing courses to be delivered directly into the home or workplace, the potential is enormous. UA has invested in creating an online infrastructure that could make the electronic classroom a reality in the next few years. The business model is based on offering high-quality course material sourced from established educational providers, with UA offering extended reach through electronic delivery. The beauty of the model is that it offers substantial savings on residential courses by leveraging the time and expertise of teaching staff. It is also extremely scaleable, with potential for the same course to be offered to students anywhere in the world, offering a multiplier effect.

UA has partnership deals with a number of top-flight business schools, including the Kenan-Flagler Business School at the University of North Carolina and the London Business School, to deliver degree and non-degree programs. Investors in UA include the Pearson Group – owner of the *Financial Times* – and GE Equity.

Other leading online education players in the market include Chicago-based UNext.com, which has signed up Chicago, Columbia and Carnegie-Mellon business schools and Stanford University; and Pensare, in Santa Clara, which is partnering the Fuqua School at Duke University.

V

Vavo.com

A Which? Online survey conducted in 1999 by Mori found that about 1 million over 55's, in the UK, were regularly using the Internet. And 32% of these so-called silversurfers had purchased good or services online, compared to only 11% of users in the 15-54 age group.

Vavo.com was set up by Richard Spinks to serve the online needs of silversurfers. The Vavo website offers more than simply tailored content for its target audience. It has an online shop offering products aimed specifically at the site's registered users. To ensure that its customers get what they want Vavo asks them first. For example, before offering a low-cost insurance package to its web visitors, it quizzed them on their particular likes and dislikes regarding health-insurance products in an online survey.

From the very start Vavo demonstrated its desire to understand exactly what silversurfers want from an online site. In an unusual move, Spinks appealed to the 50+ age group to help build the site through an advert placed in the satirical magazine *Private Eye*. And although it's a tough proposition offering content to satisfy such a disparate group of users, Vavo has identified several common interest areas such as finance and health.

As the largest website of its type in the UK – over 50,000 registered members and 700,000 visits a month – and one of the first movers, Vavo is well positioned to ride the silversurfing wave.

Links: www.vavo.com

VeriSign

The Mountainview, California headquartered company VeriSign specializes in so-called Internet trust services.

One of the biggest barriers to ecommerce is the unwillingness of customers to divulge details online, such as credit card numbers, due to misgivings about Internet security. When a company wishes to conduct ecommerce transactions, how can it reassure customers that the details they provide are secure and that the company is trustworthy? The answer is by using trust service providers like VeriSign.

Verisign provides digital certificates to authenticate transactions over the Internet. The certificates are encrypted strings of software that identify the parties to a web transaction.

VeriSign leads the market in providing this type of service. All of the Fortune 500 companies who have an Internet presence use VeriSign's digital certificate technology. The company has also made some astute strategic moves to broaden its user base. It first bought Signio for $1.4 billion. Signio provides payment services for companies carrying out business over the Internet. Then it signed up a deal to buy Network Solutions, the US company that assigns the dot-com domain names. So, in two strokes, it acquired a database of millions of users – the domain name owners – who it can sell both VeriSign authentication services to, as well as Signio merchant services.

Competition is at hand, however, as PriceWaterhouseCoopers rolls out its subsidiary, Trusted, offering a similar digital certification service.

Links: www.verisign.com

VerticalNet

Verts or vortals are the logical progression of portals – a shift from the general to the particular. Rather than the overwhelming the visitor by offering a little of everything, like some gigantic online bazaar, they offer a lot of one thing in a niche market.

VerticalNet is a collection of industry-specific websites, more than 50, representing 12 industry sectors, housed under one roof. It is a digital version of the medieval market. And the image of the marketplace is reinforced when you hit the VerticalNet website, with thousands of storefronts, auctions, catalogues, trade news, job vacancies and chat rooms.

Income comes from a number of different sources. Advertising generates a large percentage of revenues, over a third. But advertising is only part of the business model. Aware that companies that rely solely on advertising revenues are likely to come under pressure to sustain those revenues, VerticalNet has been on the acquisition trail. In December 1999 the company acquired NECX for $125 million. NECX is the world's largest trading exchange for electronic components and a great fit with VerticalNet's business. In the first quarter 2000 the exchange transaction revenues from NECX made up 53% of total revenues.

Mike McNulty and Mike Hagan founded VerticalNet in 1995. It started out with the less than exciting name water-online.com and was soon expanded, after obtaining $1 million in venture funding, to include the equally unarresting pollution-online.com and chemicalonline.com.

The two Mikes have ambitious plans for VerticalNet, and they will need them because the business-to-business market place is intensely competitive. But VerticalNet has a made good start, and has achieved critical mass, plus there are plans to launch VerticalNet Europe and VerticalNet Japan with partners BT and Softbank, respectively. The Internet Capital Group, which provided the $1 million initial venture capital, is involved. A deal with Microsoft injected $100 million, and is expected to increase the number of storefronts from 3,000 to 80,000 over the next couple of years. If VerticalNet manages to balance its revenue streams between advertising and transaction income, the prospects for remaining the major player in the vertical market are good.

Links: www.verticalnet.com

Y

Yahoo!

Founded in 1994 by David Filo and Jerry Yang, two Stanford University electrical engineering students, Yahoo is one of the best-known pure-play Internet companies. Like many of the first wave of net companies, Yahoo! started as hobby when Filo and Yang decided to find a better way of keeping track of their personal interests on the Internet. The result was a hierarchical index – or Yet Another Hierarchical Officious Oracle (YAHOO). The duo then set out to improve it.

Once it was posted up on the net, with a search facility to allow specific sites to be found, surfers flocked to use it. To start with, Yahoo! lived on the Stanford University system with the Yahoo! index on Yang's workstation and the search engine on Filo's PC. Fortunately for the efficiency of the Stanford network, Marc Andreessen, then at, Netscape, suggested they moved their files over to a Netscape machine. Even better Netscape didn't charge them.

From there the business just took off. Yang and Filo struggled on by themselves for some time before taking on extra staff. Even when they were operating from Netscape premises and getting 2 million accesses a day, there was still just the two of them doing everything. Today, however, the company has offices in Europe, the Asia Pacific, Latin America, Canada and the US, and is headquartered in Santa Clara, California.

When Yahoo! started out it had no revenue at all – it was free to put a site link up. It still is. But the company now has a wide range of revenue streams, including online auctions, online payment services and advertising fees. For the quarter ending March 31, 2000 Yahoo! posted revenues of over $228 million.

Links: www.yahoo.com

Z

Zefer

"Sooner or later someone in your industry will figure out how to use the Internet to send profits through the roof. It might as well be you," runs an ad for the Internet consulting firm Zefer. A rising star among the new economy consulting outfits, Zefer has a short but impressive track record when it comes to figuring things out. Its origins lie in the increasingly fertile world of the business plan competitions run at many business schools. These have become an industry in themselves – MIT's Entrepreneurship Competition has a $50,000 prize. So impressive was its business model that Zefer won the business plan competition at Harvard Business School and went on to attract funding of $100 million. (Akami, a loser in MIT's competition, brought in $43 million. The 1998 winner of the MIT competition, Direct Hit, was so flush with cash that it returned the prize money.)

Zefer now has offices in Boston, Chicago, London, New York, Pittsburgh and San Francisco. Alongside co-founder Anthony Tjan, Zefer's CEO is William Seibel, formerly with another bright consulting star, Cambridge Technology Partners.

Zefer's onus is on developing innovative business models. "The real Internet revolution is about breakthrough business models that were never possible before," it proclaims. It offers strategy, but not strategy as traditional business ever knew it. It has proved adept at creating alliances with companies including Sun Microsystems and Vantive.

All has been plain sailing for Zefer until now. It postponed its IPO because of the uncertainty in the markets. This places more importance on Zefer's European expansion, scheduled for late in 2000. In April 2000 it announced that it had recruited a 14-strong creative team from Virgin Net ahead of its European launch.

Links: www.zefer.com