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ALEX DRYSDALE PHOTO

Michael Daoud, founder of Santa Barbara-based custom software firm Visus, came to the U.S. after fleeing war in Lebanon. He started his own company after losing a job.

Powering up a vision

TECH: Visus founder turned setbacks into software firm

By Stephen Nellis

Staff Writer

With less than two dozen people, Santa Barbara-based Visus has helped some of the biggest names in the region, including Deckers Outdoor Corp. and Network Hardware Resale, solve their thorniest data problems.

Founded by Michael Daoud in 1994, Visus is a custom software shop that specializes in helping businesses, schools and governments make sense of massive amounts of data and put it to use in their business. This isn't just sorting out a few mailing lists. Visus can take tens of millions of records stored in different systems that don't always talk to each other, and blending it all into a user interface easy enough for sales staff and customers to navigate.

But before working with the IT departments of some of the region's biggest companies, Daoud walked a long road to entrepreneurship — 7,500 miles to be precise. His family had been displaced by the 1982 war in Lebanon. The family bounced through Greece, France and Orange County before it settled in Santa Barbara during Daoud's senior year of high school. Daoud got an engineering degree at UC Santa Barbara.

After graduation, he turned down competing job offers to stay on the South Coast and work for Delco, the electronics division of General Motors. When that job disappeared, Daoud decided to stay put and used his six months severance pay to strike out on his own. He started with consulting work — though his degree was in electrical and com-

puter engineering, he'd never worked on database problems before — and grew it into Visus.

"I was tired of moving in my life. I was all over the world because of the war in Lebanon," Daoud said. "I told myself, 'I want to stay here and build a place I can call home.' At first I was shocked by losing my job, but I said, 'This is an opportunity.'"

As Visus has matured, the clients have become larger and larger. Mark Kelly has worked with Visus when he was head of information technology at both DenMat, a nationwide dental products firm in Santa Maria, and Network Hardware Resale, the Goleta networking gear broker that has seen massive growth in recent years.

He said Visus' strength is digging into a client's business model and figuring out what the customer needs. Often the database problems are so complicated that a company will know that it has lots of data that isn't working as hard as it could be for the company, but little idea of how to get the most out of it.

"These guys are really good at taking hidden problems that companies have, where they have processes or data that maybe don't seem obvious as problems," Kelly said. "Maybe you have data or access to data that isn't as smooth as it could be. [Visus] has a great way of grouping that data together and presenting it in an organized fashion."

At DenMat, for example, the company made custom-manufactured dental veneers based on orders from dentists. The orders were highly specific,

with data on the shape of each patient's teeth and even photographs. And it was all done by hand, with paper forms and fax machines. Changes could slow the production process of a set of veneers. Visus built a web-based interface where dentists could log on and place their orders and upload photographs.

At Network Hardware Resale, the company sells used switches and routers to huge clients who have thousands of pieces of gear. To ease fears about buying used, Network Hardware offers a robust warranty that has better terms than the original manufacturer. But it had a tough time making the sell — even if a customer could save money with used gear in its fleet, who could keep track of which piece of gear was under warranty with whom?

Visus solved that by creating a warranty center for Network Hardware's customers where they can track which piece of gear is under contract with whom, and start a help ticket with Network Hardware's service team if the company has a contract on the product.

"Our customers say, 'Yeah, but it's difficult to manage multiple vendors. If my device goes down, I'm not sure my engineers will know who to call,'" said Kelly, head of IT at Network Hardware. "It's a great win for us. Now your engineer can see exactly which contract that gear is covered under."

At Deckers, the company was bursting at the seams as its Ugg boot brand took off. But its sales staff were tied up taking down and entering orders from existing customers rather than hunting for new ones. Visus created a business-

to-business website where the company's wholesale customers could log in to place orders on their own, giving them better tracking on when orders were on their way and freeing up Deckers' sales staff to pursue new accounts.

"The platforms previously were inconsistent. It was just a mishmash of things, and people had to remember where to go for certain things," said Kevin Gates, a senior manager at Deckers who worked with Visus on the project. "At the time there was a lot of organic growth in the U.S., and those solutions just weren't scalable."

These days, Visus is working with Deckers and other clients on business intelligence platforms. For Valley Crest, a nationwide landscaping firm based in Southern California, executives can plot a map of every location in the country, with green pins representing locations that are hitting sales and budget targets, and red pins showing those that aren't. The executives can then drill down to see what the problem is.

Daoud credits his training as an engineer at UCSB for much of his firm's success. Rather than specializing in building any particular kind of software, Visus has focused on coming up for a process of gleaning from customers what the problem really is and what needs to be fixed. At its core, that's engineering — a process for applying technical skills to solve problems, with consistently good results.

"I think that's allowed us to have a repeatable process for success," Daoud said. "We're problem solvers, not order takers."