

Cambridge company helps get Orbitz web site airborne



HIGH TECHNOLOGY

PHIL SWEENEY

creates marketing programs both online and offline, has purchased the assets of **Furnace Labs**, a firm that builds custom Internet applications.

"We were both doing OK, but we both kind of wanted to guarantee each other's survivability," said **Naphtali Visser**, who got Furnace Labs started three years ago.

"We were a tech-only company," Visser said. "It was very hard to attract customers." Identity One, in contrast, had its focus squarely on design and strategy.

"If we were weak somewhere, it was in technology," said **Tim Stevenson**, CEO at Identity One.

Mixing Furnace Labs' coders and developers with the Identity One crew

creates a stronger whole, Stevenson said. "It looks strong because it is strong."

The new Identity One employs 21 people. It clients include **Atlantic Records**, **General Motors** and **Volkswagen**.

Stevenson, a former vice president at Boston's **Arnold Communications**, said adding Furnace Labs isn't an indication Identity One will stray from its low-key approach.

It doesn't want to be a big shop, he said, and doesn't have any interest in venture capital and other aggressive-growth strategies.

"We don't have million-dollar salaries," he said of Identity One. "We're a small company. We've been doing real well just

being ourselves."

Investors fund e-StudioLive

A group of investors is putting \$4 million into **e-StudioLive Inc.** The Chelmsford company, which creates technology for interactive webcasts, will be backed by **Apex Investment Partners** of Chicago, Boston's **Putnam Investments** and individual investors. In February 2000, Apex and Putnam invested \$8.3 million in funding.

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Back in 1999, when some of the organizers of the online travel site **Orbitz** first took a look at what **ITA Software** had been working on, Orbitz didn't yet have a name or public face. Now Orbitz is taking off, with hundreds of thousands of lines of code written by ITA's team in Cambridge.

Orbitz debuted last week to considerable buzz. It was hit with some technical snafus, which were attributed to unanticipated demand. In its first two days, several million dollars worth of bookings were made through the web site.

Orbitz, which was put together by five airlines, is an industry attempt to sort out the absurdly complicated airline-booking process. For help, it turned to

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Founder, CEO of ITA Software

ITA and the search capabilities it had developed.

The Cambridge company had been working on the problem of finding easier answers to complicated travel scheduling and pricing, says founder and chief executive officer **Jeremy Wertheimer**, "for five something years."

As a graduate student at **Massachusetts Institute of Technology**, Wertheimer started looking into the technology used by the airline industry, as he says, "just for the fun of it." By tech standards, the stuff was ancient.

The current Sabre systems, operated by Fort Worth, Texas-based **Sabre Inc.**, for example, first came into use during the 1960s.

"The systems haven't changed much," Wertheimer said. "The industry itself has changed dramatically."

Through significant expansion and deregulation, the travel industry had been using some of the same old technology.

Wertheimer sensed both a technical challenge and a business opportunity. He finished grad school in 1996 and went to work on it, hiring his MIT friends along the way. By 1998, ITA was licensing its software. Along the way it has had struck deals with **Delta Air Lines Inc.** and **Amadeus**, a European travel site.

The company now has six customers and 38 employees. Having taken no venture money, it is more or less paying its own way with licensing revenue.

Providing the search capabilities for the Orbitz site is a high-profile event for the low-profile bunch in Kendall Square, but ITA is just getting going, Wertheimer says. "It's a big industry."

Fortunately, for Wertheimer and his colleagues, it's also a complex one in need of help.

Identity One buys Furnace Labs

Two local web outfits have decided together is better. **Identity One**, which