

Tealeaf Corporate Background

Tealeaf Technology, Inc. was founded in November 1999, the first and only independent spin-off of leading software provider SAP. The story of Tealeaf is unique in that its value proposition was first uncovered when the founder and current Chief Technology Officer, Robert Wenig – who at the time headed SAP’s Advanced Technology Laboratory in Silicon Valley -- was tasked by SAP’s Chairman to develop the company’s first web-enabled self-service applications.

Almost immediately the challenges of operating and supporting web applications became all too real. The myriad of use cases and the complexity of the widely distributed architectures made the process of identifying and resolving issues encountered by system users more difficult than ever before (client/server and earlier systems had much more structured business processes and less extensive user bases).

Robert in turn tasked part of his team with building technology to gain visibility into what happened to users as they used the web applications, in order to better understand and resolve their problems. Ultimately, as it became apparent that the challenges Robert’s team faced were not SAP’s alone, but rather consistent across any web based application – the decision was made to start Tealeaf as a stand-alone company dedicated to providing companies doing business online with visibility in the one place they did not have it – at the “browser-level” for every customer, every transaction, every time.

Tealeaf’s unprecedented “watershed” capability (which is patented), to capture in real-time and replay the session of every user of a web application is still to this day the technological core of Tealeaf’s now industry-leading family of solutions – Tealeaf CXTM.

Tealeaf is privately-held and venture-funded software. The company, based in San Francisco, California, with operations throughout North America, opened European headquarters in London, England in 2006.

Tealeaf secured Series A funding led by top-tier venture firms, Matrix Partners and Foundation Capital in 1999. Matrix Partners and Foundation Capital also participated in Series B, in July 2000, and were joined by J.P. Morgan Chase Ventures, and SAP AG. In September 2002, Series C funding included the original investors, as well as the addition of Bay Partners, leading the round. Series D, expected to be the last venture financing raised by Tealeaf, was completed in July 2004 and co-led by the three primary investors — Bay Partners, Foundation Capital, and Matrix Partners.

Tealeaf Today

Tealeaf provides online customer experience management solutions and is the unchallenged leader in customer behavior analysis. Tealeaf’s CEM solutions include both a customer behavior analysis suite and customer service optimization suite. For organizations that are making customer experience a top priority, these solutions provide unprecedented enterprise-wide visibility into every visitor’s unique online interactions for ongoing analysis and web site optimization. Online executive stakeholders from ebusiness and IT to customer service and compliance are leveraging Tealeaf to build a customer experience management competency across the organization

Tealeaf has deployed its solutions in more than 400 production environments, including more than 50 Fortune 1000 companies (including 11 of the Fortune 50), leading financial services firms including 4 of the 5 largest banks, more than 40% of the largest property and casualty insurance providers, 1/3 of all retailers with revenues over \$100 Million online, and numerous companies in travel & hospitality, manufacturing, telecommunications, pharmaceuticals, transportation & logistics as well as government agencies.

Customers include Abercrombie & Fitch, AmerisourceBergen, Bass Pro Shops, Bed Bath & Beyond, Best Western Hotels, Circuit City, Comcast, Conesco, Esurance, GEICO, Hotels.com, HSBC, Levenger, Mary Kay, McKesson, Musician's Friend, Nationwide, Neiman-Marcus, , Ohio Casualty, Priceline.com, Prudential, Quixtar (Amway), Rogers Communications, Selective Insurance, State Auto, Starwood Resorts and Hotels, Wachovia, Walmart.com , Wells Fargo Bank, Western National Insurance, Wyndham Hotels and Yellow Roadway Transportation.

Tealeaf's solution was awarded eWeek Magazine's 2006 Excellence Award in the E-Business Foundations category, the essential baseline category of the prestigious awards, selected over co-finalists Microsoft (for Windows Server 2003) and Hummingbird.

Forrester Research, an independent research firm, has recognized Tealeaf as a Leader in "The Forrester Wave: Appliance-Based End-User Experience Monitoring, Q2 2007 (June 2007).

According to the report, Tealeaf "is an industry pioneer, as well as a unique proposition in the business-oriented end user monitoring space. From the company's original solution, which analyzed abandoned transactions on Ebusiness sites, Tealeaf Technology has spawned a series of solutions that target specific business views – becoming the unchallenged leader in customer behavior analysis."

Tealeaf received the Number 1 score in strategy. Tealeaf also received the top score in subcategories including:

- Market Presence – Installed Base
- Strategy – Focus, Planned Evolution and Pricing
- Current Offerings – Data Collection, Real-time Capabilities, Console Integration, Reporting Capabilities, Product Scalability and Integration with Other Products

The report goes on to specify that "Tealeaf leads the business-oriented subsegment" and has "consolidated its CX solutions – cxImpact, cxReveal, cxView, cxVerify and cxConnect – into a number of reports that clearly and squarely address the business needs of marketing information through transaction analysis."

Online Transactions Should Be More Reliable

When was the last time you were unable to buy an item in a store during regular business hours? Or not make a deposit in your bank branch or at an ATM? Why should the web site be less reliable?

You Cannot See Your Online Customer

Online businesses are unique in that the Web is the only form of business where you cannot actually see or interact with your customers individually. The simple fact that you do not have visibility into what your customers are actually doing on your website, or when they run into problems, creates a new class of challenges for you and your online customers.

Ensuring that visitors on your website can successfully complete the business they intended to accomplish is more challenging and more important than ever. Your customers expect their transactions to go as smoothly and reliably online as they do in-person. Yet web applications are full of glitches, and it is not surprising when you consider that active sites continually introduce new content and logic. The truth is it not possible to fully test a website. The combination of a growing multitude of users, highly personalized and dynamic content, and increasingly complex new Web technology results in a nearly infinite number of navigational options. The vast majority of these are never tested. It simply isn't possible to predict and exercise every potential user scenario.

Online Customer Experience Affects Your Business and Brand

Online businesses miss revenue opportunities and lose customers every day due to the ubiquitous issues that impact online customer experience. Typically, these are the web application issues or errors that show up in the customer's browser — the one place businesses cannot see. They cause people to leave your site and many never come back. These are the kinds of problems can erode your business and your brand.

Tealeaf CX Solutions Improve Customer Visibility

The Tealeaf CX family of applications provides a complete view of the online customer experience across the enterprise enabling customer support to resolve customer service issues rapidly, business managers to identify usability issues, prioritize based on business impact and to help settle customer disputes and meet mandates for audit and compliance.

The Tealeaf CX Solutions

TEALEAF CX – The industry’s most comprehensive datastore of online customer information and the engine behind all Tealeaf products. By passively capturing and managing all visitor interactions on a web site, Tealeaf CX delivers unprecedented visibility into online customer experience.

TEALEAF CX – CUSTOMER BEHAVIOR ANALYSIS SUITE:

Tealeaf cxImpact — With immediate visibility into the hidden problems impacting your business, cxImpact helps you detect, quantify, and quickly resolve online customer experience issues.

Tealeaf cxResults — Tealeaf cxResults provides insight into the complete visitor lifecycle on your web site so you can better understand visitor interactions, discover ongoing behavior patterns, and ask and answer more sophisticated questions about your web site experience.

Tealeaf cxView — The powerful analytics of cxView allow executives to stay informed of their most critical customer experience metrics and take immediate action when any KPI starts to underperform.

CUSTOMER SERVICE OPTIMIZATION SUITE:

Tealeaf cxReveal — Tealeaf cxReveal empowers customer service teams with instant, replayable access to both live and recent customer interactions on your web site from any existing CRM console or support portal.

Tealeaf cxVerify — Tealeaf cxVerify preserves a complete and permanent record of all customer interactions on your web site for effective customer dispute resolution, fraud investigations, as well as for audit and compliance requirements.

Tealeaf cxConnect – The Tealeaf cxConnect product line provides seamless integration with business intelligence, analytics and web site optimization solutions for achieving cross-channel and customer behavior analysis.

Management Team

Rebecca Ward, Chairman of the Board & Chief Executive Officer – Rebecca joined Tealeaf in January 2004 and brings to Tealeaf a wealth of experience in managing and growing technology businesses. She joins Tealeaf after most recently serving as entrepreneur in residence at Foundation Capital. Previously, Rebecca served as group president of engineering, marketing, and product development at Digex. Revenues grew to \$214 million during her tenure. Prior to joining Digex, Rebecca worked for BBN/GTE Internetworking, where she held the position of vice president of product management and engineering. Rebecca began her career with Xerox in 1982 in a technical position and then moved into the sales organization, before joining BBN Systems and Technologies in 1991.

Robert Wenig, Board Member and Chief Technology Officer – Robert first conceived the vision for Tealeaf as the skunk works “Project BlackBox” at SAP, where he served as director of advanced technology, reporting directly to SAP chairman, Hasso Plattner. While developing this core technology, Robert was twice honored as a Computerworld Smithsonian Program Laureate. He also has filed several patents, including patents on the Tealeaf core technology. Robert was awarded and maintains the position of Fellow at SAP.

Alan “Sparky” Heitmann, Vice President of Operations & Chief Operating Officer – Sparky joined Tealeaf in 2001, and has more than 15 years of business and management experience in creating and growing successful organizations. Prior to Tealeaf, Sparky was Vice President of client management for Ask Jeeves’ Business Solutions, where he was responsible for 80 global corporate clients and built a client relations organization that generated \$24 million in revenue.

Geoff Galat, Vice President of Marketing and Product Strategy – Geoff joined Tealeaf in 2002 and has more than 18 years of experience in technology marketing, most recently as vice president of marketing and product management at Tumbleweed Communications. Prior to Tumbleweed, Geoff was vice president of marketing at Luminate Corporation. Geoff also served six years at Mercury Interactive in a variety of marketing management roles, culminating in the role of vice president of corporate marketing, and was instrumental in Mercury Interactive developing brand awareness and establishing the markets for application testing and application performance management.

John Dawes, Vice President of Product Management – John joined Tealeaf in October 2004 and has over 16 years experience in defining and delivering enterprise software products. John joined Tealeaf from Omniva Policy Systems, where he was Vice President of Product Marketing, prior to that John defined, delivered, and managed a large automotive e-commerce site as the Vice President of Product Management and Marketing at Greenlight, later acquired by CarsDirect.com. John also spent four years at Netscape Communications, where he was responsible for product management of Netscape’s Web and application server product line, and was one of the original product managers at Adobe for the Acrobat product.

Ira Pollack, World Wide Vice President of Sales -- Ira joined Tealeaf in June 2008 and brings over 18 years of enterprise software sales experience to Tealeaf. Most recently, Ira served as Senior Vice President of World Wide Sales for the Business Interaction Division of BEA Systems. Ira joined BEA from Plumtree Software (the company was acquired by BEA in October 2005), where he served as Vice President of World Wide Sales. After leading the integration efforts for both Plumtree and Fuego Software sales organizations into BEA, Ira guided growth of BEA's license revenue from approximately \$30M in 2005 to \$80M by 2008. Ira also served as Vice President of North American Sales for Consumer Industrial Markets and, prior to that VP of Sales for North America for High Tech, at BearingPoint Consulting for 8 years. Ira holds an MBA from San Francisco State and a BA from University of California, Santa Barbara.

Mark Neumann, Vice President of Engineering – Mark joined Tealeaf in August 2006 and has over 25 years of experience in large distributed systems development. As VP of Product Development for Cable and Wireless, he directed a multimillion-dollar expansion and platform migration. As VP of Engineering at Excite/@Home, he developed and managed the integration of the first broadband portal and content distribution system for 19 regional data centers and hundreds of proxy servers. Earlier, Mark managed product development for Apple's eWorld Online Service. His career began in Aerospace and Defense developing large, distributed, real-time intelligence processing systems. He designed the software architecture for the next generation Air Traffic Control system, and built one of the first WYSIWYG systems for planning and supporting Space Shuttle missions in the early 80's. Mark holds an MBA from Denver University and a BA in engineering from Mississippi State University.

Andrew Hill, Vice President & General Counsel — Andy brings over fifteen years' experience working as in-house counsel for technology companies in Silicon Valley, specializing in technology licensing, commercial transactions and securities compliance. Andy joined TeaLeaf from Calient Networks, where he was VP, General Counsel and Secretary and part of the management team that completed a recapitalization and re-start of the optical networking company. Previously, Andy led the legal and contracts departments at Legato Systems (now part of EMC) and helped expand the enterprise software company through numerous acquisitions. Andy also spent three years at Red Brick Systems, a data warehousing company, which he helped through a successful IPO. Before going in-house, Andy practiced corporate law at Brobeck, Phleger & Harrison, concentrating on venture capital financing for high-tech and emerging growth companies. He holds a bachelor's degree from Brown University and a J.D. and M.B.A. from The University of Pennsylvania Law School and The Wharton School.

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