

July 10, 2007

Google results aren't relevant? inC2, Israeli startup technology, will connect you to the vendors you need

Guy Grimland, TheMarker

✉ guy.grimland@themarker.com

If you forgot to reserve a table in advance for a restaurant on a Saturday afternoon, more than likely, at the last minute, you will have to waste a lot of time on the phone only to receive many negative responses. Only after making many calls will you find a restaurant with an unreserved table.

However, this situation will more than likely disappear from your lives soon thanks to smart search engines that make locating the appropriate business in seconds and with no effort a possibility. One of the startups at the forefront of this area is the Israeli inC2, (pronounced "In Situ", meaning "in position" in Latin.). The company developed technology called find-inC2, which personalizes the search process.

The system already operates on the rest.co.il website [the leading Israeli restaurants portal], where it enables making restaurant reservations. Users firstly define their requirements: type of restaurant they wish to eat in, location, time, and number of diners. At the second stage they are presented with the restaurants that answer their criteria and the users choose those they are interested in.

Then the system connects to the restaurants, and they respond to the system within a few seconds as to whether there is place at the requested time. In the final stage the users are presented with a list of restaurants that responded affirmatively, and they are able to make contact with the restaurants via the inC2 system.

As opposed to regular search engines, the restaurant owner receives (high quality) details about the potential client, and simultaneously the user is connected with the relevant restaurant that precisely matches his needs.

Pilot with Golden Pages

inC2 was founded by Yair Zehavi, 37, VP Products, and Milo Avissar, 37, VP R&D. The idea for the company was generated by Avissar. "One rainy day I drove to Tel Aviv to visit a friend, and I thought how good it would be if I could know who was searching for me at that time on the Internet," he recalls. He shared the idea with his friend Yair, who was working as a development manager at Amdocs, and was responsible for search applications.

"This wasn't the first idea for a startup that Milo had told me about," smiles Zehavi. "I surveyed the market and spoke to some people, and it turned out that no-one had thought of this direction till then. At the beginning of 2005, I

left Amdocs and started to set up the company. Today we work out of Yehud and have ten employees.” Another sign of the company’s success is an \$800,000 investment it received this week from the Jerusalem Capital venture capital fund, run by Lior Lifshitz and Jacob Ner-David.

Raz Caro, the company’s CEO, who had also been working for Amdocs for many years, joined Zehavi and Avissar. “To date, advertisers buy banners or use the Google Adwords system, through which the advertiser chooses the search words to be attributed to the ad and pays only when customers click on that ad,” Caro explains. “What we have done is to insert the advertiser into the search process. From now on, every plumber will know that he is being searched for and will respond in real time to the request.”

In order for the fit between the sides (customer and vendor) to be good, the inC2 system needs the assistance of a database containing a large amount of service data. So, inC2 made contact with Nir Lampert, CEO of Golden Pages [Israel’s leading yellow pages company]. Currently, Golden Pages is implementing the inC2 system, and its sales campaign offers vendors and advertisers on its website the opportunity to participate in this initiative.

If the trials with rest.co.il and with the Golden Pages website are successful, inC2 will venture out into the wide world to sell their system to business and services directory companies in the US and Europe. The aim is to operate according to a profit sharing business model: The company will sell its technology to companies like Golden Pages, and these companies will share their revenues from businesses that participate in this service.

At this stage the system has a limitation: Customers can’t be sure that the system has matched them up with the best vendor. However, in the future, the system will also include a control and rating system, and vendors that receive the highest ratings will be presented to the customers first.

inC2 currently operates in the area known as local search, which includes users that are looking for services in their residential areas. Google operates a local search service – Google Local – however it is not available in Israel. The Internet giant Yahoo! also has a local search site (local.yahoo.com), but it is also unavailable in Israel. As opposed to these two services, inC2’s site provides leads for business owners who seek to reach users.

Two other global sites providing answers to local search requests are chacha, which offers users human help with searching for information; and mahalo, which is assisted by human teams in searching for results. The Israel startup SpearCast (via the Palore site) developed a system that facilitates rating vendors that appear in business directories, and contacts them via VoIP technology.

[translation for find-inC2™ - Margo Sugarman, bizzwords.com]