



Realization may take investment in 18 months; partnerships, IPO to be considered - CEO

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By Louise Bleakley

Realization Technologies, a San Jose, California-based project management software company, may look at bringing on investors in 18 months, CEO Sanjeev Gupta said.

The 10-year-old bootstrapped company is aiming to accelerate from USD 16m in annual revenue today to about USD 100m in 2012. To help reach this goal, it will look at partnering with systems integrators such as IBM and Accenture over the next two years to expand its sales channels. In 18 months it might also look at raising funding. Gupta has avoided taking in outside investment before now because differences with investors at his prior company broke up the business.

Gupta said Realization differs from the competition – which includes Oracle Primavera and Microsoft Office Project Server – because its software takes into account the uncertain nature of projects. The company expects to continue taking share from its competitors, with revenue of at least USD 25m projected for 2010 based on its current pipeline. About 40% of revenue comes from software sales, 40% from services and 20% from maintenance revenue. Realization will narrow its focus to three verticals – aerospace and defense, energy and IT projects for companies such as Wipro Technologies, Tata Group and IBM.

In 2013 the company might be ready to look at a public offering. The purpose of an IPO would be a branding exercise and may not be necessary, he said. Realization could also remain private and majority owned by Gupta and two associates, or it could evaluate sale offers, he acknowledged. Realization has been receiving interest from advisors but the company is not ready to look at an exit. "Right now it's about building the company out," he said.