



Situation

Academy123 develops innovative technology to create, collect and distribute multimedia content in any subject and in any language. The company's first application is a set of Web-based tools that provides online homework help to elementary, middle-school and high-school students.

By the summer of 2004, the founder had spent two years perfecting the technology but had not devoted the time and resources to set up a long term corporate strategy and structure, and had not secured outside funding. He turned to Momentum Venture Management to help him transform his technology into a successful, well-funded company.

Solution

For nine months, a Momentum Venture Management principal served as CEO and led all aspects of Academy123's corporate strategy, sales, business development and fundraising. Under Momentum Venture Management's leadership, the company was incorporated as a Delaware C corporation, launched its initial products, secured several high profile business opportunities, raised \$3 million in an oversubscribed round of financing and hired a full-time CEO. A member of our senior team now serves as chairman of Academy123's advisory board, and we continue to work together on strategic and business-development initiatives.

"Our main focus was getting our technology right," says Maury Friedman, founder of Academy123. "Once we hit that mark, we realized that we needed more than money - we needed a business plan and strategic leadership to bring our ideas to life. Momentum Venture Management was able to create a structure and a plan that have allowed us to develop new applications and bring them to market successfully."

Results

Working with Momentum Venture Management allowed the founder of Academy123 to "put theory into practice" by transforming his vision and exceptional technology into a functioning, viable company. After successfully launching its technology platform in 2004, Academy123 signed a multi-million dollar contract with America Online to host its "STEPbySTEP MATH" homework help solution, which provides more than 30,000 unique solutions to homework problems in 25 leading math textbooks for 7-12th grade students. To date, the company has raised in excess of \$5 million in financing from institutional and individual investors.