



## . . . after the fall

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By Sarah A. Klein

The highest-profile players in Chicago's tech community were easy to find between 1999 and 2000, at the height of the tech bubble. We wondered what's become of them since. Our survey couldn't include everyone, so we limited it to the most memorable personalities and companies.

### **Divine Inc.**

**Chicago's most spectacular dot.com flameout, the Internet incubator filed for bankruptcy protection in 2003.**

#### **Andrew "Flip" Filipowski**

**Then:** Founder, chairman and CEO of Divine; before that, held same titles at Platinum Technology Inc. Considered Chicago's premier tech success story.

**Now:** Chairman and CEO of SilkRoad technology Inc., a privately held software company in Winston-Salem, N.C., where he lives.

#### **Michael Cullinane**

**Then:** Followed Mr. Filipowski from Platinum to Divine, where he was executive vice-president and chief financial officer.

**Now:** Executive vice-president and chief operating officer of Lakeview Technology Inc. in Oakbrook Terrace, along with former Divine general counsel Jude Sullivan.

#### **Scott Hartkopf**

**Then:** President and chief operating officer of Divine.

**Now:** Owner of a high-end furniture company in Washington state.

#### **Paul Humenansky**

**Then:** Longtime chief operating officer at Platinum; became Divine's president and COO in 2000, after Mr. Hartkopf resigned.

**Now:** Director of Outtask Inc., a Virginia-based software and services company.

#### **Jennifer Filipowski**

**Then:** Mr. Filipowski's daughter and her business partners threw pink-slip parties to introduce laid-off employees to potential employers. Co-founded Meethead.com, a Web-based event planning service.

**Now:** Works for Mr. Filipowski at SilkRoad. Maintains a blog filled with musings on being Polish, watching "Survivor," and ordering gift baskets.

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### **Lante Corp.**

**Chicago-based tech consultancy acquired in 2002 by Utah-based SBI & Co.**

**Mark Tebbe**

**Then:** Founder and chairman of Lante Corp. who watched the value of his stock holdings soar to \$1 billion in 2000, then tumble to \$28 million the same year.

**Now:** Chairman of Techra Networks LLC, a consulting and investment firm. Appointed to Elmhurst City Council in December. Lost the seat in April election.

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**Whittman-Hart Inc./MarchFirst Inc./WhittmanHart**

**The technology consultancy that went on an acquisition binge in the late 1990s and filed for bankruptcy protection in 2001.**

**Robert F. Bernard**

**Then:** Chairman, president and CEO of MarchFirst Inc., which recorded \$1 billion in sales at its apex.

**Now:** In 2003, bought back some of MarchFirst's assets out of Bankruptcy Court and launched tech consulting business as WhittmanHart, a variation of its original name.

**Steven Pollema**

**Then:** MarchFirst's president after Mr. Bernard left the company in 2001.

**Now:** Vice-president and chief financial officer of eLoyalty Corp., a Lake Forest-based customer relationship management software company.

**Starting over****Chris DALTON**

**Then:** Partner in Modern Business Technology Inc., a tech consultancy that was acquired by USWeb/CKS in 1999 for \$34 million in cash and stock. USWeb/CKS was acquired by MarchFirst.

**Now:** Co-founder and CEO of Acquity Group LLC, a Chicago-based tech consultancy. Like a lot of Chicago consultants, Chris **DALTON** ended up working for MarchFirst Inc. via a whirlwind series of mergers.

"We went from being a good stable company to something that was absolutely out of control," Mr. **DALTON**, 37, says of transitioning from his 100-employee firm to MarchFirst, which peaked at 9,700 employees and \$1.2 billion in revenues.

Instead of just providing tech advice, they were creating television commercials, designing packaging and juggling Web development assignments. "It was like overnight, we were everything to everybody," Mr. **DALTON** says.

When MarchFirst collapsed in April 2001, Mr. **DALTON** quickly moved on. With three partners, he started Acquity Group LLC, a Chicago-based consulting group that helps businesses understand how to use the Web and improve transactional operations.

With clients like Playboy Enterprises Inc., Acquity will generate \$22 million in revenues this year, Mr. **DALTON** says. The firm has been profitable since its first quarter.

### **BlueMeteor Inc.**

**E-commerce software and services firm, launched with \$30 million in funding, lasted roughly 18 months. The domain name bluemeteor.com is still for sale.**

#### **William Lederer**

**Then:** Lake Forest businessman who sold his online art retailer art.com to Getty Images Inc. for \$115 million in 1999. His private investment firm, Minotaur Capital Management, put up the majority of the money for BlueMeteor.

**Now:** Chairman and CEO of Socrates Media LLC, a Chicago-based publisher of do-it-yourself forms, guides and software for consumers and small businesses. Also chairman and CEO of Minotaur Capital Management.

#### **David Weinstein**

**Then:** CEO of BlueMeteor.

**Now:** President of Chicagoland Entrepreneurial Center, an arm of the Chicagoland Chamber of Commerce.

### **Focal Communications Corp.**

**A local and long-distance telephone service and Internet access provider, filed for bankruptcy protection in 2002.**

#### **Joseph Beatty**

**Then:** Co-founder, executive vice-president and chief financial officer of Focal.

**Now:** CEO of Concourse Communications Group LLC, a Chicago-based wireless voice and data networks company.

#### **Robert Taylor**

**Then:** Co-founder, chairman and CEO of Focal until 2002, when he stepped down as CEO.

**Now:** Chairman and CEO of Teleguam Holdings LLC, the local exchange carrier and wireless provider on the island of Guam.

### **University of Illinois alumni**

#### **Douglas Colbeth**

**Then:** Co-founder and CEO of Spyglass Inc., a Naperville-based Internet browser company, sold to OpenTV in 2000 for \$2.4 billion in stock.

**Now:** CEO of Webplan, a Canadian software developer now called Kinaxis that helps manufacturers adjust to shifts in demand.

#### **Tim Krauskopf**

**Then:** Co-founder and chief technology officer of Spyglass Inc. Served as Divine's entrepreneur-in-residence.

**Now:** Owner of Round Lake Freight, a trucking company in Downers Grove.

#### **Alex Zoghlin**

**Then:** Chief technology officer of Orbitz Inc.

**Now:** President and CEO of G2 SwitchWorks, a Chicago-based company that aims to make ticket purchases by travel agents more efficient.

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## More entrepreneurs

### Howard Tullman

**Then:** CEO of Tunes.com, which through a deal with *Rolling Stone* magazine, added 30 years of music archives to its site. Sold in 2000 to Emusic.com in stock swap valued at \$130 million.

**Now:** President of Kendall College, a Chicago-based culinary school.

### Gregory K. Jones

**Then:** CEO of uBid Inc., a Chicago-based online retail auction company, which was sold to CMGI Inc.

**Now:** Partner of Edgewater Funds, with David Tolmie, former CEO of Yesmail Inc.

### Josh Schneider

**Then:** Founder of E-prairie, the online news publication. Also formed Guitar.com.

**Now:** Changed his name to Josh Metnick, adopting his grandfather's surname. Still chairman of Midwest Business Inc., E-prairie's successor. Also CEO of search engine Chicago.com.

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## Hanging on

**Not everybody cashed out or flamed out.**

### Michael Ferro Jr.

**Then:** CEO of Click Commerce Inc., which develops software packages to support sell-side distribution. Mr. Ferro was elected to the board of directors of the Executives' Club of Chicago.

**Now:** Same.

### David Ormesher

**Then:** CEO of Closerlook Inc., an interactive marketing agency.

**Now:** Same. Bought back Divine's investment in the firm in 2001.

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## Government, gadflies

### Ron May

**Then:** The town's high-tech tattler, whose e-mail newsletter, the May Report, is an electronic stream of consciousness about the coming and goings of the local tech community.

**Now:** Same.

### Katherine Gehl

**Then:** Mayor Daley's technology adviser.

**Now:** Vice-president of the Chicago office of New York investment firm Bernstein Investment Research & Management.

**Darcy Evon**

**Then:** Publisher of i-Street, online newsletter about the city tech scene; *Chicago Sun-Times* technology columnist.

**Now:** Executive director of corporate relations at Illinois Institute of Technology in Chicago.

**A survivor's tale****George Deeb**

**Then:** Founder and CEO of iExplore, an online seller of adventure and experiential travel.

**Now:** Same.

Of all the dot.com startups in Chicago, iExplore seemed the least likely to survive. Indeed, the world seemed to be conspiring against the company founded in 2000 by CEO George Deeb.

Instead, iExplore is one of the few survivors. After riding out the post-Sept. 11 travel dropoff, largely by trimming staff and tweaking the business model several times, Mr. Deeb's firm is going strong, serving about 2,000 customers a year with a staff of 20 (down from a peak of 31 in 2001).

"I'm very much an entrepreneur that doesn't want to fail," says Mr. Deeb, 36.

It helped that the travel industry adapted quickly to the Internet, but Mr. Deeb also made some shrewd moves. After Sept. 11, he cut his staff by more than half and began organizing tour packages instead of marketing those offered by other companies.

That boosted his profit margin on sales to 30%, from 15%, he says. As the economy soured, he began to sell advertising space on his Web site to hotels and tourism boards that wanted to capture the attention of his customers: a well-heeled group willing to shell out between \$3,000 and \$15,000 on an adventure vacation.

"That became a robust income stream," Mr. Deeb says. By next year, advertising from the Web site, [www.iexplore.com](http://www.iexplore.com), may equal his profits on tour packages, he says.