

## ***Boingo takes the Concourse***

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BY [HOWARD WOLINSKY](#) Business Reporter

Boingo Wireless, a Santa Monica, Calif., global seller of Wi-Fi services, has found a hot spot in Chicago-based Concourse Communications, developer of Wi-Fi and cellular phone services in major North American airports.

Boingo announced Monday it is purchasing Concourse, which has Wi-Fi hot spot networks at O'Hare and Midway, for an undisclosed amount. Boingo said it plans to maintain Concourse's 25-employee Chicago office.

Joe Beatty, chief executive and founder of Concourse, said, "This deal made a lot of sense. Boingo has such a global presence, and [Concourse] is strong in airports. This is a case of one plus one equals three."

The two companies have been partners since Concourse was moved to Chicago in 2003 by Cardinal Growth, a Chicago private equity firm. Boingo is an aggregator that ties together Wi-Fi providers with roaming agreements while Concourse has specialized in designing, building and operating Wi-Fi networks in major airports.

Christian Gunning, director of marketing communications at Boingo, said, "Airports are the most valuable real estate in the this [Wi-Fi] space, outperforming other categories such as hotels, coffee shops and restaurants. In the airports, there is a captive audience stuck behind security for an hour or more. This is a huge opportunity."

With the acquisition, Boingo will run Concourse's networks in a dozen major airports. In addition to the Chicago airports, these include JFK, LaGuardia and Newark in the New York area and airports in Toronto, Ottawa, Detroit, St.Paul-Minneapolis, Oklahoma City, Nashville and Atlanta. Concourse also provides Wi-Fi at Soldier Field.

In addition to maintaining Concourse's Chicago office, those in New York City and Dallas also will remain intact, Gunning said. "There will be no material impact. There is no operational overlap. We will be taking all of the Concourse employees," he said.

Glenn Fleishman, who follows the industry for the online publication Wi-Fi Networking News, wrote that the merger "has a lot to do with cell/Wi-Fi convergence for Voice over IP (VoIP)." Phone time over VoIP, using laptops or Wi-Fi phones, is priced at a fraction of the cost on cellular networks.

Fleishman said, "Boingo's strategy over the last year has been to figure out how to leverage its now 45,000-strong aggregated network of Wi-Fi hot spots worldwide, which includes nearly 300 airports."

Beatty plans to leave when the merger is completed in the next 30 to 60 days, but he has no immediate plans. He said the two companies decided recently to merge while bidding together to offer Wi-Fi services at Los Angeles International.

Concourse is the second local tech company in the past week to be acquired. SSA Global, Chicago's largest software company, last week announced it is being acquired by Atlanta-based Infor.

Beatty said, "A lot of times people here have lamented that they want more high-tech companies, at least startups, in Chicago. But things are more conservative here in the Midwest, and we do fine. Meanwhile, those of us who run shows will do something else and bring out new companies."

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