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Auto Loan Company Gets \$85 Million Line of Credit

Springboard Auto Will Use Funds to Expand

An Irvine-based direct-to-consumer auto loan company closed an \$85 million line of credit during the first quarter. **SpringboardAuto.com**'s goals for the rest of the year include launching into new states and partnering with companies and financial institutions to get more customers, co-founder and Chief Marketing Officer **Stuart Holmes** said.

The company received \$15 million from Madison, Wis.-based **CMFG Ventures** in August 2015. CMFG is the venture capital arm of **CUNA Mutual Group**, an insurance company that claims to serve 95% of U.S. credit unions. The venture arm typically invests about \$1 million to \$5 million in early-stage rounds, so its investment in Springboard Auto was above average, said **Mandi Salo**, an associate with CMFG Ventures in corporate development.



STARTUPS

Deirdre Newman

Springboard Auto launched in January 2015.

Alchemy Financing

A fund that's part of Costa Mesa incubator **Alchemy Factory** recently invested in a Carlsbad-based social-gifting company.

The **Alchemy Fund**, part of the Alchemy Factory incubator, invested \$50,000 in **Bitmo**, which developed an app to replace gift cards. The app was designed so that someone can purchase the value of a gift card for someone without giving them a



Torres: Parcel Pending founder says its grown to 38 states and Canada

physical card. The gift is known as a "bitmo."

For example, someone could send \$5 for **Starbucks** through the app that can be redeemed by the recipient like cash at the coffee house right from his or her phone. The app allows recipients to exchange gifts from one brand to another, with no fees, founder and Chief Executive **J. Michael Smallwood** said.

Bitmo is introducing a beta version of the software this summer with "a limited number of national brand retailers," he said.

It was the first investment by the newly created Alchemy Fund, which now stands at \$250,000, said **Fabio Gratton**, founder and "chief alchemist," adding that he's looking to get the fund to \$1.5 million by the end of the year.

The incubator was formed in 2013 and moved into its bricks-and-mortar location last year. It's focused on helping health and

tech startups expedite their product development by providing a mix of capital, infrastructure, mentorship, research and marketing services. It's already incubated several companies, such as **SONIC Health**, which provides marketing services for healthcare startups, and **CureClick**, which helps companies find patients for clinical trials. The incubator also includes a co-working space known as The Factory.

On the Move

An Irvine-based company that provides electronic lockers to apartment complexes to store and access delivered packages recently moved into 25,655 square feet of office and warehouse space at 1 Vanderbilt in the Irvine Spectrum area.

Parcel Pending Inc. provides digital "smart" lockers to apartment communities to manage packages and alert residents of deliveries. Residents have access to their packages around the clock.

The new space, off Bake Parkway and Jeronimo Road, has the same landlord as its old space: **Western States Technologies**. Parcel Pending paid \$1.5 million for a four-year lease, according to a news release by Western States Technologies.

It will occupy the entire property and use it for its corporate headquarters.

The new location is roughly twice the size of its previous office and warehouse space in Irvine.

The company has grown to 38 states and Canada, founder and Chief Executive **Lori Torres** said. It experienced 200% year-over-year revenue growth from the first quarter of 2016 to the first quarter of 2017, she added.

It has more than 80 employees, most of whom are in OC.

Torres was an **Irvine Company** executive for more than a decade before launching the company.

Parcel Pending offers two options: buy a locker outright, with financing options, or get a locker for free with a monthly subscription fee. The lockers start at \$6,980 and go up from there, based on how many doors are needed. A small monthly fee covers software, service and a seven-year parts warranty, Torres said.

Eyes on \$5M Prize

An early-stage software company based in Irvine has been selected as a participant in the IBM Watson AI XPRIZE competition put on by the Culver City-based **XPRIZE Foundation**. The prize is \$5 million.

Its goals are to demonstrate how people can collaborate with "powerful" artificial intelligence technologies to tackle "the world's grand challenges" and to accelerate the understanding and adoption of artificial intelligence's "most promising breakthroughs," according to the competition website.

TerraManta created software that uses artificial intelligence to identify how geopolitical factors influence fluctuating global commodities prices. It said it provides customers with "more accurate insights" about long-term price volatility.

So far it's analyzed crude oil and will add other commodities down the line, Chief Executive **Leon Kotovich** said. It recently released the second version of its software with predictive capabilities.



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