

Online Governance Solutions

BoardDocs services are developed and marketed by Emerald Data Solutions, a Company that has been successfully addressing the needs of clients since 1989. Over the years, we have provided solutions for many leading organizations, including BellSouth, Turner Broadcasting and the Georgia Department of Education, among others. BoardDocs was launched nationally in 2002 and in 2004 we decided to commit 100% of our resources to developing, implementing and supporting on-line governance solutions. To date, over 1000 organizations have selected our technology to save money, reduce staff time, improve board effectiveness, increase transparency and help the environment.

Interview conducted by: Lynn Fosse, Senior Editor, CEOCFO Magazine

CEOCFO: Mr. Ioannides, what is the concept at Emerald Data Solutions?

Mr. Ioannides: Emerald Data Solutions' primary product is a service called BoardDocs that helps organizations effectively manage all aspects of their governing bodies. We deliver BoardDocs as what used to be called "software as a service," but now is known as a cloud-based web application. It is designed to help governing bodies save time, save money and help them connect better with stakeholders, while providing board members information so they can be more effective.

CEOCFO: Would you elaborate about how BoardDocs works? Who would be using it and what would they be using it for?

Mr. Ioannides: BoardDocs is primarily designed for public governing bodies that are funded ultimately by taxpayers. Public governing bodies have specific regulations that they have to follow. These bodies are most likely City Councils, County Commissions, School Boards, Water and Light Boards and any other controlling board that meets on a regular basis, has a public constituency and is funded by taxpayer dollars. In the past, the administration of most local governing bodies creates large packets or PDF files and distributes the information to the board members and other stakeholders prior to each meeting. Once board members get the information, they review it prior to a public meeting where they make a series of decisions, particularly by voting. Once the meeting is complete, the information is typically shared with the public one way or another. Before BoardDocs, what people did was formally request the information, attended the meeting or watched it live on TV. Now with BoardDocs, organizations can proactively share that information using the web so that the public can review it prior to the meeting. Additionally, most states have regulations for confidential documents that must be withheld according to law, so BoardDocs allows the administration granular security to control access by stakeholder type. During the meeting, the organization can actually post video and audio of the meeting, record the motions and actions of the board, and compile that in a way where stakeholders can review an extremely high fidelity picture of exactly what happened. All this is done for less than the cost to produce and distribute the packets the old way - and it takes far less time to do it with BoardDocs. In the process, we are saving taxpayers money, helping them and building community capital because stakeholders are better engaged in the activities of the organization.

CEOCFO: Do these various entities really want the public to have easy access to all of this information? Have they been looking for better solutions overall or is it something the public is demanding and they are really going to have to pay attention?

Mr. Ioannides: We provide the tools to allow them to be as open as they want to be. The organizations can determine what they proactively want to share and what to withhold. We have found that the organization that engages stakeholders at the highest levels tend to be the ones that have the best relationships with their constituents. For instance, if you go to a website and there is not a lot of information being shared, the stakeholders tend not be as engaged and not as trusting of what the organization does. So when it comes time to ask for a tax increase or a bond referendum, it is less likely to get passed. Whereas, if they tend to open everything up and someone comes to a County Commissioner and asks about some sort of action, the County Commissioner can say that everything that we legally can share with you is available. She can direct them to the organization's website to do a search. That tends to be very disarming because nothing is being



Aristides Ioannides
President & Chief
BoardDocs Architect

hidden. Constituents tend to like transparency and so they tend to have a more trust in the governing body. There is even an award that is given our every year called the Sunny award. A very high percentage of the folks that have received the Sunny award are BoardDocs subscribers and if you go to their websites all of their budgets are available and their all decision-making is public for everyone to see. The degree of transparency tends to vary by geography. There are some areas of the United States that are extremely open in their governance, such as the Southeast and Midwest. They tend to be fully transparent. However, if you go to some places in New England, they rarely share much information.

CEOCFO: *You have a very large range of potential clients; how do they find out about BoardDocs?*

Mr. Ioannides: We find that we have to utilize marketing to tell our story and we have a two-pronged approach. People who consider management services are concerned because many of the board members were born prior to 1960. They did not necessarily grow up with computers so they feel that the change is going to be a dramatic one or maybe be even disruptive. In reality, with BoardDocs, it is really a small incremental change because we work hard to make the online packet work and look like the existing documents. We have over 30,000 subscribers that have already hosted well over 100,000 public governing meetings and less than 1% of subscribers stop using the service each year. They are nervous before they start using BoardDocs, but as soon as we train them they don't ever want go back to the old way. It would be like I am used to using a mimeograph or typewriter and here is a computer. Oh my gosh, I am never going to know how to use it; but once they see it and use it, they almost never go back. A second part of our marketing approach is building brand awareness. We started early with school boards and are, by far, the largest provider and are a household name for school boards. A couple of years ago, we started targeting the municipal market. At first, when we started working with cities and towns, they had not heard of us. A year later, when we went to a trade show or talk to a city our county they knew about us. We do that by primarily marketing in the trade journals that are targeted towards City Council administrators School board members or the town council commission members. We also have national marketing public radio campaign that has a broader target to build name recognition. We support all of this marketing by participating in a select number targeted trade shows. What we really are trying to do is show people the system and, once they see it, they pretty much get it. Our ultimate goal with all our marketing efforts is to make sure if a public governing body is looking at Board Management Services, they don't make a decision before they look at BoardDocs.

“Services are delivered by people and when services are delivered correctly, the user should feel like they are at a 5-star resort.” - Aristides Ioannides

CEOCFO: *BoardDocs is a leader in the school board arena. Is there much competition?*

Mr. Ioannides: Systems like BoardDocs started to appear 10 years ago initially for private corporate boards and in eventually in the public sector. We were in the forefront of meeting that need for public governing bodies and we were the first to offer Board Management Services as a cloud based service. Now there are many solutions, but we dominate the public area the way someone like Diligent does for corporate boards. I think we remain dominant because we were early and continue to innovate.

CEOCFO: *Why the decision to focus on government?*

Mr. Ioannides: Emerald Data Systems has been around over 20 years and we were one of many standard network solution providers that delivered solutions for folks like Turner Broadcasting, Bell South, Rollins and Steelcase. We had a customer that needed a project management solution as a one-off project and we did it. Looking to move from a “sell and build” model to a more sustainable recurring model, we delivered the solution as a software as a service product, called Ensemble. Ultimately, it was used a project management solution to manage the technology build-out in new Home Depot stores. At that point, we had some expertise in software as a service. Then we successfully developed a paperless solution for a small local school and went to a trade show to share their success story. There was an amazing amount of interest. I came back to the office and came up with the name BoardDocs and registered the name. A year later, we added a product that we thought would do well. It quickly took over the Company so we sold off the network integration part of the business. We started working with public governing bodies and, after some market research; we decided to stay with that market. If you think about 13,000 school districts and maybe another 15,000 or 20,000 city and county municipalities that is a big target market. We could target the private industry and target fortune 5000 but that is not a big enough market to sustain the type of growth we expect. That being said, we do have some customers that are in the for-profit sector that find us. Currently, public governing bodies is a large market with specific rules that are very different than private companies, so that is where we are really going to focus on - at least in the near future.

CEOCFO: *Your products are supported on most mobile devices. But, new technologies appear almost daily. How do you decide what will stick and where you need to adapt your service and what might go by the wayside?*

Mr. Ioannides: That is where we differ from just about everyone else - even the companies we mentioned earlier who are in the private area. We do not develop thick desktop applications or even mobile apps that only run on specific devices. We moved away from thick applications on computers quite a while ago. The first version of our system was kind of

application centric; you had a large client component that ran on Windows, another for the Mac and a third on a mobile devices. What we decided to do five to six years ago was to totally move away from writing anything that would run on a computer platform like Windows, OS/X, Android or iOS. Now we use very advanced technology that has become common, what the industry calls a web application or Web App. This is an application that runs in a browser and, while browser apps used to be limited in what you can do, they are pretty advanced now. What happens in layman's terms is this: someone loads our site or service and we determine what kind of device they are loading through the browser. Then, we deliver an application that runs in the browser that presents the interface that we want to present to the user on that device - regardless of the operating system used. One example from a few years ago was when BlackBerry came out with a tablet. We had to port to that tablet literally within a week or so after we got our hands on the device. Microsoft introduced a new tablet called the Surface and a week later, BoardDocs supported the Surface. Apple comes out with a new iOS device and we know BoardDocs will run perfectly on all Apple tablets. That gives us a huge competitive advantage versus our competition when they are still stuck delivering apps for each type of device. Even better, if our users choose to use an Apple iPad, Apple Air, Macintosh, Windows, computer, Linux device, Android or even a Chromebook, the user will have the same user experience. That is so important to our users because they might not be technically pliable. Why would we force end users to think, "I guess these features do not work on my iPad; oh it looks different because I'm using a Surface and, wow, it looks different on my Windows computer and what happens when I put it on my Android?" That experience does not cut it with our user community because it is confusing and we want to free the people from that confusion. That also allows our users to choose just about any device without having to be technically pliable. The best part is, as soon as a new device comes out, we pretty much support it right away. The result is that most contemporary devices you can buy off the shelf work. If you are running a Kindle, BoardDocs runs on a Kindle and looks just like it does on an iPad. I'm really hearing rumbling that applications are starting to become passé. We aren't writing for applications anymore, we are writing web applications. The result is that we can reduce our tech support costs, training costs and provide a better user experience and that's what we are really about.

CEOCFO: *Emerald Data has been on the Inc. 5000 for several years now so we know business is good; how do you continue the trajectory?*

Mr. Ioannides: We call it a hockey stick growth. Part of it is the idea of board management systems has really taken off recently. The perception that these systems are disruptive change has really gone away and, as more and more people adopt, they become something that you need to have. When we look at our subscriber retention exceeding the 99% rate, we know that we will be able to maintain our existing sales easily. We are looking to grow at a minimum 35% per year in new subscriptions and that has actually been easy for us. We are doing that a couple of ways. First of all, we are constantly innovating so we are always looking towards the future. Secondly, we come out with additional products and services that we think would attract more and more diverse user communities. We are also exploring ways to raise our revenue per subscriber. We think that we should be doubling our subscriptions every year and that's what we are striving for.

CEOCFO: *Why pay attention to Emerald Data Solutions and BoardDocs?*

Mr. Ioannides: I think primarily because we provide a service and not software or product. Services are delivered by people and when services are delivered correctly, the user should feel like they are at a 5-star resort. When you think of quality services you think of great resorts like the Ritz Carlton or St. Regis. We train and strive for that level of service. So we study and pattern our service after that 5-star resort type service. Something as crazy as when a board member has a problem, we encourage them to pick up the phone and call our 800 number. We pay for the call; someone actually answers the phone and says: "BoardDocs, How can I help you?" Then, the end user asks a question and a magical thing happens: we answer it. We are passionate that our customer has the best experience possible. We understand what our customers want and we give it to them.

BIO: Ari Ioannides has more than 30 years experience solving complex computer problems. An alumnus of Georgia State University and the Georgia Institute of Technology, Mr. Ioannides supplemented his formal education by receiving technical certifications from Apple, IBM, Sun Microsystems, Novell, Microsoft, HP, Cisco and 3Com. He accepted his first IT position at Sears in 1978 as the Company's youngest mainframe computer operator.

In 2000, Mr. Ioannides developed Emerald Data Solutions' first eGovernance technology for Marietta City Schools in Georgia, and formally launched BoardDocs® nationally in 2002. As the Chief Architect of BoardDocs, Mr. Ioannides and his team have been able to deliver the premiere cloud-based Board Management System that is used by over 30,000 users to successfully manage over 100,000 public meetings to date. BoardDocs success is based on a combination of 5-star resort-quality service, community-driven feature development and powerful marketing. BoardDocs success is measured by record-breaking subscriber growth on top of 99% subscriber retention. Mr. Ioannides has been a guest speaker at the International City/County Management Association, the National School Boards Association and the American Association of School Administrators.



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