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Rising Stars



ABJ PHOTO / SARAH KERVER

**Vinay Bhagat, founder and CEO of Convio Inc., is one of few people who “understands the importance of customer relationship management and how it can be applied to the nonprofit sector,” an Easter Seals executive says.**

The entrepreneurial bug bit Vinay Bhagat in 1999. At the urging of his wife, Deepa Donde, he was volunteering his time for a public broadcasting event when Bhagat recognized the need to improve the fundraising process. He was 29 years old at the time.

In March 1999, he left his job at Trilogy Inc. in Austin and spent six months conducting several hundred interviews to



clearly identify challenges within the nonprofit marketplace. Austin Ventures LP financed Austin-based Convio Inc. that November.

“I learned the marketplace was enormous, it was underserved and it needed the technology we could deliver. Larger [nonprofit] groups were spending a tremendous amount of money building it themselves,” says

## Passion and commitment

**Convio founder Vinay Bhagat, an ‘intense entrepreneur,’ says he ‘lives, dreams and sleeps’ his Internet software company**

by Barbara Wray

Special to the Austin Business Journal

### VINAY BHAGAT

**Title:** Founder and CEO

**Company:** Convio Inc.

**Age:** 33

**Biggest career achievement:** “Building Convio to this scale. I feel like we’ve built something with real substance and built it to last.”

**Role model:** Neil Webber, Brian Wood and Bill Wood

**Email:** (info@convio.com)

# BHAGAT: Entrepreneurial spirit drives company founder

Bhagat, founder and CEO of Convio.

The company provides Internet software and services for fundraising, marketing, special events management and Web site content management for nonprofit groups. Products and services are designed to enable nonprofits to more effectively attract, motivate and retain constituents to donate, get involved in advocacy, participate in special events and provide other support. Convio raises more than \$1.3 million a month for clients.

In February, Convio announced it closed \$5.6 million in a third round of financing from previous investors such as AV, San Francisco-based Granite Ventures LP, Austin-based Silverton Partners LP and Neil Webber, cofounder and former chief technology officer of Austin software company Vignette Corp. To date, Convio has raised \$22.1 million in venture capital.

Of 58 employees, 48 are in Austin, six in Washington, D.C., and the rest in San Francisco, Chicago, New York and Boston.

Last year, Easter Seals selected Convio to provide its national Internet infrastructure, which will eventually serve more than 90 regional affiliates. More than half of the affiliates are online.

"This was a major milestone for such an organization to place such confidence in us, to bet their entire future on us. Because the Web site needed to be easily accessible, we spent a great deal of time developing an enhanced product that has been very appealing to other groups," Bhagat says.

Convio also supports public affairs, events and marketing and communications for Easter Seals, which serves more than 1 million people per year.

"[Bhagat] is one of few people ... that understands the importance of customer relationship management and how it can be applied to the nonprofit sector," says Shirley Sexton, director of Internet market-

ing for the Easter Seals. "Nonprofits were slow to that game, and he was an evangelist and a believer years before others got it. He's being proven right."

In addition to Easter Seals, customers include the American Diabetes Association, Mothers Against Drunk Driving, the Susan G. Komen Breast Cancer Foundation, the National Trust for Historic Preservation and the Texas Exes, the alumni association for the University of Texas at Austin.

Bhagat says his best decision has been to build the company around its people.

"We've recruited a really strong team of high integrity people that believe in what they're doing," Bhagat says. "The nice thing about being the founder is getting to shape the organizational culture. We all work incredibly hard — not begrudgingly, but with passion."

At Convio, the culture is based on core values of putting the client first, hard work that's highly rewarded, integrity and ethics, and respect for the team.

How does Bhagat describe his own management style?

Bhagat laughs when acknowledging he is "quite intense."

"I live, dream and sleep Convio. An entrepreneur has to have passion and commitment," Bhagat says. "Several people have told me that they knew I wouldn't let it go under ... and passion is infectious."

Bhagat says entrepreneurial life can be pretty lonely. An entrepreneur often faces decisions that require accountability to the board, employees and a management team.

"I've been fortunate. My wife inspired me to do the company in the first place, and she's been there for me the whole time," he says.

Citing long hours and work that stays with him around the clock, Bhagat also credits the entrepreneurial community in Austin with supporting his success. In

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**Bhagat "believes in what he's doing and that it matters."**

ROSS COCKRELL  
Venture partner,  
Austin Ventures LP

particular, he says the trio of Neil Webber, cofounder of Vignette Corp.; Brian Wood of Round Rock-based Dell Computer Corp.; and Bill Wood of Austin Ventures has kept him on the "straight and narrow."

"It was especially easy to get caught up in the late '90s dot-com rush. Bill Wood told me to focus on the basics — get a product to market that's based upon what customers really need, sign up customers, make them successful and you will succeed. Everything else is noise."

An entrepreneur at 29, Bhagat says he has enjoyed learning from the more experienced members of his team.

"It's been rewarding to evolve as an individual and as a leader. I led small teams before, but every day brings new challenges and I enjoy that," he says.

"Earlier challenges, like fundraising, team building and recruitment, now come easily. Now I'm focusing on how to scale and build a world-class organization."

Ross Cockrell, a venture partner with Austin Ventures who sits on Convio's board of advisers, says Bhagat is interested in building a "great company" and in changing the way nonprofits operate.

"He believes in what he's doing and that it matters. But he doesn't lose sight of the fact that serving a higher purpose doesn't make payroll. He's building a sustainable business," Cockrell says.

BARBARA WRAY is an Austin-based freelance writer.

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