BigGrowth For BigRentz

‘Expedia for Contractors’ Plans Sales Surge, Public Listing

By PETER J. BRENNAN

Scott Cannon’s office was full of balloons and a big poster-size card last week in honor of his 4th birthday. The chief executive of Irvine-based BigRentz Inc. has a lot more to celebrate than merely another candle.

The company Cannon runs, which began in 2012 and he joined in 2013, will grow to as much as $36 million in sales this year. After a couple of pending acquisitions that could be finalized and announced in the coming weeks, its annual sales are expected to double to $80 million.

Cannon has an audacious goal to grow sales to $500 million by 2020—possibly even a billion dollars with the right acquisitions.

“I think we’re going to be really big,” Cannon said in his Irvine office next to the Costa Mesa (55) Freeway and under the flight path to John Wayne Airport.

“We have something unique and different that no one else in tech has. We’re really bullish on the future of the company.”

Syage Turns From Airport Security to Celiac Disease

HEALTHCARE: Digestive ailment affects 3M in US

By A. LEIGH CORBETT

A clinical stage drug company from Newport Beach thinks its core product could be the answer to millions of people suffering from celiac disease, an as yet incurable digestive ailment that destroys the lining of the intestines.

What’s more, ImmunogenX’s product, called latigliptasone, might be available in as little as 18 months, beating the offerings of potential competitors by three to five years. “Nobody else is in the market or in clinical trials,” Jack Syage, co-founder and chief executive of ImmunogenX, told the Business Journal.

There is no approved drug for the treatment of celiac disease; news reports suggest Syage wants drug to help people

Sealey/Voykner knows the illness well

P.3

Apparel: Women clothing line BB Dakota sold

Automotive: Karma takes wraps off concept car, Newport Beach store

THE LISTS

TELECOMMUNICATIONS & WIRELESS COMPANIES

Software Companies

INNOVATOR of the YEAR AWARDS

Don’t Miss Out! OC’s Top Innovators to be Announced September 25, 2019

See page 30 for event & registration information

KEYNOTE SPEAKER

Dean Stoeger
Chairman & CEO

alteryx

Part of Irvine Towers complex

Irvine Marriott Sells for $170M+

HOSPITALITY: 485-room sold by CBRE offshoot

By KATIE MURAR

The Irvine Marriott, the city’s second-largest hotel by room count, has quietly changed hands at a more than 33% premium to its last trade in 2015.

The 485-room property at the Irvine Towers office complex near John Wayne Airport sold for about $172 million, or $355,000 a key, according to sources familiar with the transaction.

It is the largest hotel sale of the year thus far in

Software: New ‘Diablo’ in works for Blizzard?

By KEVIN COSTELLOE

Numerous members of OC’s software community have had breakout years in terms of valuations, funding deals and M&A transactions, but that exuberance wasn’t reflected in local worker growth.

The 26 largest software companies with operations here

Blizzard Diablo: internet legends expect new game this year
Software Cos.

employ about 8,500 people locally, according to Business Journal data. That's down about 1% from year-ago levels.

This week's list includes firms with at least 100 area employees.

A reflection of OC's standing as a great place for tech startups and emerging forces, if not large and established software giants: only two on the list, online video game-maker Blizzard Entertainment and IBM, have more than 1,000 workers in the area.

3. Bigs: Alteryx Inc. grew its local workforce fastest since last year—24% to 269, good for the No. 10 spot.

Even with a high-profile round of layoffs announced early this year, Blizzard still tops the list with the most employees—about 1,800 workers are estimated to be at its sprawling Irvine Spectrum campus.

Announced cuts at the maker of “Overwatch,” “World of Warcraft,” and other popular titles single-handedly pushed the cumulative job growth on the list from positive to negative.

Without Blizzard factored in, the remaining 25 on the list saw nearly 2% job growth.

A third area notable, Cybercyle, clocked in at No. 5, with about 380 workers, according to Business Journal estimates, as Canada-based BlackBerry bought it earlier this year. The division, which has remained in Irvine, is known as BlackBerry Cylance and appears to be growing locally still.

The Irvine triumvirate continues to make news and noise, or declined to comment on such things, in several ways.

High Flyer: Alteryx hit a 52-week high last week, ticking a dime above $143 a share and topping $9 billion in market cap. The data analytics developer went public in March 2017 at $14 and an $840 million valuation, heading heavenward since.

Chief Executive Dean Stoecker said last month’s torrid pace means “we’re adding a lot of heads.”

The balance of the company’s almost 1,100 employees is located in offices outside Orange County, Alteryx has 16 offices around the globe, including New York, London, and Singapore.

More growth is likely: Alteryx (NYSE: AYX) recently raised $800 million via a note offering that it said could fund acquisitions and additional expansion, though it noted no deals to date.

A $10 billion valuation is about 10% distant as of mid-last week.

That puts Alteryx in rarified air.

Just three companies headquartered here top $10 billion in market cap: heart valve maker Edwards Lifesciences Corp., fast casual restaurant chain Chipotle Mexican Grill Inc., and health facilities REIT HCP Inc.

Diablo Details: The $7.2 billion market cap game maker Activision Blizzard, based in Santa Monica but the second half of its corporate name keeps most of its employees here. Cullar from everywhere but its local environs is that a new version of its popular “Diablo” franchise—the last came in 2012—is on the way.

Barra’s quoting a Bank of America analyst, hinted it could arrive in time for BlizzCon, the company’s annual gamer conflag at Anaheim Convention Center in November. Earlier this year, scuttlebutt on game-focused websites suggested a new version of another Blizzard franchise, Overwatch, is in the pipeline.

Alvivision Blizzard has been shuttering its employment ranks: cutting 8% or 900 workers from companywide totals, according to a February conference call.

Nearly 200 people in Irvine were affected by the cut.

Three months later it said it planned to boost developer headcount on Diablo, Overwatch and World of Warcraft, according to company comments on a May conference call. A time frame wasn’t disclosed, but that growth was reiterated early this month. "We’re expanding our development teams and resources so that we can accelerate the delivery of content in our pipeline and pursue new business models,” Activision President Coddy

Johnson told analysts this month.

Bright Spot: Cylance, meantime, brought in $5.1 million in non-GAAP quarterly revenue for BlackBerry, according to its new owner’s latest earnings report in June, about a fifth of the Canada firm’s total.

That was a 31% increase for the company, though BlackBerry’s overall results were flat at the time, and analysts dinged it for using non-GAAP figures.

Cylance’s artificial intelligence-driven software protects some 15 million internet-capable computer hardware devices for more than 3,500 corporate subscribers; the latter number a 30% year-over-year increase.

D.A. Davidson Senior Research Analyst Rishi Jaluria called Cylance “a bright spot [on the company’s] earnings report... integration is going well” with Cylance key to “Blackberry’s pivot to more software and services.”

Cylance said it plans to debut new cybersecurity offerings this year in a software subsector taking on growing importance (see related stories, pages 20 and 22).

More Moves: The second-largest percentage increase on the list was by No. 11 Irvine-based Acmag Grow Inc., a micro-investing app that has been moving toward wider adoption in general finance.

Acmag grew its local employee count 20% to 240.

Third-largest growth came at Irvine-based vehicle software and telematics provider CallAm Corp. (Nasdaq: CAMP), which increased its local worker base 18% to 111, and ranked No. 26.

Other than Blizzard, the biggest decline was at No. 12 Altos Viejo-based Quest Software, where employee numbers dipped 15% to 225.
# THE LIST

## SOFTWARE COMPANIES

RANKED BY NUMBER OF OC EMPLOYEES

<table>
<thead>
<tr>
<th>Rank</th>
<th>Company Name</th>
<th>Address</th>
<th>Parent Company</th>
<th>Partial List of Products</th>
<th>Year Founded</th>
<th>Top Local Officer(s)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Blizzard Entertainment Inc.</td>
<td>1 Blizzard Way, Irvine 92614-3628</td>
<td>Activision Blizzard</td>
<td>Online video games and console</td>
<td>1991</td>
<td>J. Allen Brack president (949) 950-1380/(949) 737-2000</td>
</tr>
<tr>
<td>2</td>
<td>IBM Corp.</td>
<td>600 Anton Blvd., Ste. 300 Costa Mesa 92626-7221</td>
<td>IBM Corp.</td>
<td>Content management software, services</td>
<td>1911</td>
<td>Virginia Romney chairman/CEO/president (714) 472-5400/(714) 472-2558</td>
</tr>
<tr>
<td>3</td>
<td>Oracle Corp.</td>
<td>17901 Von Karman Ave., Ste. 800 Santa Ana 92707-8726</td>
<td>Oracle Corp.</td>
<td>Cloud technologies, applications, databases, servers, storage</td>
<td>1977</td>
<td>Anders Maudal regional VP, sales (949) 623-8700/(949) 623-9668</td>
</tr>
<tr>
<td>4</td>
<td>Ultimate Software Group Inc.</td>
<td>5 Hutton Centre Drive, Ste. 1200 Weston, FL</td>
<td>Ultimate Software Group Inc.</td>
<td>Human resources, payroll, benefits, talent management, talent acquisition, time and labor management, learning, surveys, analytics</td>
<td>1990</td>
<td>John Bauter senior VP/general manager, select services (949) 214-2710</td>
</tr>
<tr>
<td>5</td>
<td>Blackberry Cylance</td>
<td>480 Spectrum Center Drive, Ste. 900 Irvine 92618-5919</td>
<td>Blackberry Ltd.</td>
<td>Cybersecurity software</td>
<td>2012</td>
<td>Stuart McClure/Daniel Dolivo founder, CEO/president, CDO (949) 224-2903</td>
</tr>
</tbody>
</table>

### Expertise Counts

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Stradling Yocca Carlson & Rauth, P.C.

### Sage North America

7995 Irvine Center Drive, Ste. 200 Irvine 92618-2963

<table>
<thead>
<tr>
<th>Sage North America</th>
<th>366(1)</th>
<th>13,003</th>
<th>Sage Group</th>
<th>Business management software, services</th>
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<td>13,003</td>
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<td>Business management software, services</td>
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### Kareo Inc.

3232 Michelson Drive, Ste. 400 Irvine 92612-5611

<table>
<thead>
<tr>
<th>Kareo Inc.</th>
<th>354</th>
<th>630</th>
<th>Kareo Inc.</th>
<th>Kareo Billing (practice management), Kareo Clinical (electronic health record), Kareo Engage (patient engagement), Kareo BillCo Edition (medical billing company software), Kareo Telemedicine</th>
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</tr>
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</table>

### NextGen Healthcare Inc.

18111 Von Karman Ave., Ste. 800 Irvine 92612-7119

<table>
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<tr>
<th>NextGen Healthcare Inc.</th>
<th>316</th>
<th>2,850</th>
<th>NextGen Healthcare Inc.</th>
<th>Enterprise and cloud-based electronic health record and practice management software and services for ambulatory medical/dental practices; platform includes mobile, analytics, population health, ICM and interoperability capabilities</th>
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### AVEVA

25661 Rancho Parkway S, Lake Forest 92630-3031

<table>
<thead>
<tr>
<th>AVEVA</th>
<th>300</th>
<th>4,400</th>
<th>AVEVA</th>
<th>Offers a complete portfolio of engineering and industrial control software solutions</th>
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### Abbreviations:

- NA: not applicable
- NL: not ranked
- wrt: would not disclose

Photos show the first log official listed.

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(1) Business Journal estimate

(2) Canada-based Blackberry Ltd. acquired Cylance Inc. in February

(3) Previously listed as Quality Systems Inc.

Research by Megan Kleiner

> Continued on page 28
## The List

### Software Companies

#### Next Week's List

**Corporate Foundations**

**RANKED BY NUMBER OF DC EMPLOYEES**

<table>
<thead>
<tr>
<th>Rank</th>
<th>Company</th>
<th>Parent company</th>
<th>Partial list of products</th>
<th>Top local official(s)</th>
</tr>
</thead>
<tbody>
<tr>
<td>10</td>
<td>Alteryx</td>
<td>Alteryx Irvine</td>
<td>Data collaboration, preparation, data blending, analytics, modeling and deployment</td>
<td>Dax Shepherd*&lt;br&gt;co-founder/chairman/CEO&lt;br&gt;(888) 836-4274/(714) 516-2410</td>
</tr>
<tr>
<td>11</td>
<td>Acorns Grow Inc.</td>
<td>Acorns Grow Inc. Irvine</td>
<td>Smartphone app that offers micro-investing</td>
<td>Noah Kerner&lt;br&gt;CEO&lt;br&gt;(855) 739-2859</td>
</tr>
<tr>
<td>12</td>
<td>Quest Software Inc.</td>
<td>Fransisco Partners and Elliott Management Corp.</td>
<td>Database operations management, data protection, endpoint systems management, identity and access management, and Microsoft platform management</td>
<td>Jeff Harw&lt;br&gt;chairman/CEO&lt;br&gt;(949) 754-8000</td>
</tr>
<tr>
<td>13</td>
<td>Spireon Inc.</td>
<td>Spireon Inc.</td>
<td>Provides cloud-based GPS vehicle tracking and fleet management solutions for businesses and consumers</td>
<td>Kevin Wira&lt;br&gt;CEO&lt;br&gt;(800) 557-1449</td>
</tr>
<tr>
<td>14</td>
<td>MobilityWare Inc.</td>
<td>MobilityWare Inc. Irvine</td>
<td>Mobile games</td>
<td>Dave Yonamine&lt;br&gt;founder&lt;br&gt;(949) 798-9900/(949) 453-2001</td>
</tr>
<tr>
<td>15</td>
<td>Kofax Inc.</td>
<td>Kofax Irvine</td>
<td>Intelligent automation, robotic process automation, cognitive capture, process orchestration, advanced analytics, mobility and engagement, and AP automation</td>
<td>Rayolds C. Bish&lt;br&gt;CEO&lt;br&gt;(949) 763-1000/(949) 727-3144</td>
</tr>
<tr>
<td>16</td>
<td>Mavenlink Inc.</td>
<td>Mavenlink Inc. Irvine</td>
<td>Project management software, resource management software, professional services automation software</td>
<td>Ray Grainger&lt;br&gt;founder/CEO&lt;br&gt;(949) 336-7610</td>
</tr>
<tr>
<td>17</td>
<td>Veritone Inc.</td>
<td>Veritone Costa Mesa</td>
<td>Cloud-based artificial intelligence (AI) technology</td>
<td>Chad Steelberg/Ryan Steelberg/ Pete Collins/Jeff Cayne&lt;br&gt;chairman, CEO/president/COO/ executive VP, general counsel&lt;br&gt;(888) 507-1727</td>
</tr>
<tr>
<td>18</td>
<td>ETAP</td>
<td>Operation Technology Inc.</td>
<td>Modeling, design, analysis, optimization, monitoring, control, and automation software for electrical power systems; control hardware; distribution and outage management systems; data collection and synchronization mobile app</td>
<td>Farshid Shoobeh/Sherwin Stelow&lt;br&gt;CEO, president/COO&lt;br&gt;(949) 900-1000/(949) 462-0200</td>
</tr>
<tr>
<td>19</td>
<td>Verizon Connect</td>
<td>Verizon Communications Atlanta</td>
<td>Connected commercial vehicle software platform, tools by Verizon</td>
<td>Jason Koch&lt;br&gt;senior VP, product strategy&lt;br&gt;(949) 859-5500/(888) 422-4096</td>
</tr>
<tr>
<td>20</td>
<td>Microsoft Corp.</td>
<td>Microsoft Corp. Redmond, Wash.</td>
<td>Business, consumer software</td>
<td>1974&lt;br&gt;(949) 262-3000/(949) 262-8618</td>
</tr>
<tr>
<td>21</td>
<td>Sypro</td>
<td>Sypro Costa Mesa</td>
<td>ERP, CRM, supply chain, warehouse management, shop floor, mobile, cloud, quality control and government compliance, distribution, analytics</td>
<td>Geoff Garrett&lt;br&gt;CEO, USA&lt;br&gt;(714) 437-1000/(714) 437-1407</td>
</tr>
</tbody>
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- Alteryx’s top officials include: Scott Jones, president, chief revenue officer; Olivia Duarte-Adams, co-founder, chief customer officer.