

Making the business case for corporate data-driven decisions

MANAGEMENT | Decision analytics company applies deep data to challenges faced by energy, water and government sectors around the world



Copperleaf Technologies CEO Judi Hess is leading the capital investment planning software company to new heights and new markets around the world | CHUNG CHOW

BY HAYLEY WOODIN
HWOODIN@BIV.COM

If you ask **Judi Hess** whether an investment in education or health care will generate more long-term value for taxpayers, she'll tell you that if you specify a value framework, there's a calculable, and thus defensible, answer.

For Hess, CEO of Vancouver-based **Copperleaf Technologies Inc.**, the challenge is not the complexity of the question or the decision that needs to be made: the challenge facing Copperleaf is being a world leader in a service just a few companies know exists.

"It's kind of like, you'd like to clean your teeth, but you don't even know the toothbrush exists," said Hess.

The cleaning-your-teeth scenario in Hess' world is an organization's desire to consistently make capital investment decisions that bring the greatest value to shareholders, taxpayers or consumers. The toothbrush, she says, is C55: Copperleaf's signature software program.

"Companies today often use large Excel sheets, don't utilize all the data available to them or don't take into account all the information that could support decisions," she said. "They're using expert opinion, and intuition, and persuasion as opposed to the facts and the data that they have in their company."

When it came time for Copperleaf to move offices, for example, it didn't merely look at the price per square foot of various locations. It calculated everything from the distance all employees would have to travel, to the environmental integrity of the building, to how the new location would affect Copperleaf's future ability to recruit.

Take all of those inputs, quantify them and weight them by the number and percentage of people they affect, and you start to piece together a value framework that allows a company to make strategic decisions that will benefit them over time.

"We try to put everything on a common economic scale or rationalized scale so that in the

end, you can value everything together. That's our most important thing: get everything on a similar scale so that you can compare an apple to an orange, and have it make sense," Hess said.

From its new East Vancouver location at 2920 Virtual Way – the right location for the company, according to its software – Copperleaf helps its 25 clients make decisions around how to invest what amounts to \$300 billion in capital.

Those clients include **BC Hydro**, Ontario's **Hydro One**, the **Tennessee Valley Authority** and **Landsvirkjun** – Iceland's national power company. The B.C. government announced earlier this year that it too will begin using Copperleaf's C55 software to inform its future investment decisions around information technology.

"We have a lot of different systems that are old legacy systems, you have new systems and you have multiple databases, and the challenge is: how do we make this all work together," said **Amrik Virk**, B.C.'s minister of

innovation and technology.

Once the technology goes live in October, Virk says it will help the government make around \$430 million in IT investment decisions across ministries.

"When you're making decisions at that level, with systems that are going to be around for multiple, multiple years, I think you've got to get it right," he added.

With only two clients in B.C., Copperleaf focuses primarily on attracting new clients elsewhere in the world, with an emphasis on those in the energy, water and government sectors.

According to Hess, the company likely owns around 10% of the global market for decision analytics. In terms of an enterprise solution to capital investment problems, Copperleaf is just one of a few.

Last year, Copperleaf generated more than \$10.5 million in revenue; a 289% leap from the \$2.7 million it generated in 2011. This year, Hess expects company revenue at between \$16 million and \$20 million.

"I think that by all measures

Copperleaf is one of those understated, but really, really important stories," said **Bill Tam**, president and CEO of the **BC Technology Industry Association (BCTIA)**. "They are now one of the largest suppliers of asset management platforms."

In June, Copperleaf received the BCTIA's Emerging Company of the Year award. Last year, it was ranked one of Canada's Fastest-Growing Software Companies by *Canadian Business* and *Profit*, and Hess says the company is just getting started.

Copperleaf now employs 85 employees, and has a five-person team in Europe. Its own upcoming investment decisions will be around developing products that enhance its C55 software, and ensuring the company has the people to support existing and new clients.

"If you want a really serious system, something that really is going to solve your problem and you want it at that enterprise level, I think we're the go-to company," she said. "I think we have the market-leading solution."