

## The SAVO Group

*Management:* John Aiello, Co-founder and Chief Executive Officer

*Venture Capital Partners:* **Sterling Partners**

Salespeople do not use up to 80 percent of the marketing materials available to them based upon studies conducted by the American Marketing Association. That wastes *significant* money and time. In fact, as a result of this dynamic, salespeople spend as much as 40 percent of their time recreating marketing materials rather than being face-to-face, generating sales.

Enter The SAVO Group, a Chicago-based pioneer in the still-emerging and so-called “sales-enablement” field. SAVO offers direct and channel sales teams at some of the nation’s largest companies – from FedEx Kinko’s and ADP to Morgan Stanley, AmerisourceBergen, Citigroup and dozens of other – ways to organize their sales assets including collateral, messaging, and best practices. Its on-demand software simplifies the creation, tracking and management of presentations, proposals, brochures, newsletters, videos and white papers, among other material.

Co-founders John Aiello and Drew Larsen began the company in 1999 to deliver creative, strategic and technical consulting to clients in marketing, sales and account management. In its initial years, SAVO grew through providing such custom solutions with clients such as Diners Club, LaSalle Bank and Northern Trust.

Over time, however, it became clear that companies’ underlying problem reflected a much broader disconnect between marketing and sales teams. The inability to effectively manage and leverage brochures, presentations, proposals and other sales assets was keeping these teams from working collaboratively on generating revenue growth, the real goal.

In response, SAVO developed its on-demand platform that has improved marketing and sales productivity dramatically at several major companies. Today, SAVO has more than 50,000 licensed salespeople and marketers around the world on its flexible “sales enablement” platform, which can be customized.

This journey took time – and financing. When the company first began, three employees (including its co-founders) were at the helm. In six years, the company expanded to 30 employees. While SAVO’s organic growth continued each year, executives looked for an extra push to propel them.

### **A Snapshot of the SAVO Group**

- ✓ A successful, award-winning, on-demand software company whose revenues have continuously grown by 40 percent for each of the past seven years.
- ✓ More than 70 jobs in its Chicago location.
- ✓ More than \$10 million in recurring client bookings from top-tier companies in the United States.

## A Sterling Partner

SAVO drew the interest of Sterling Partners, a Chicago firm that since 1983 has built itself into an investment firm with more than \$4 billion of capital under management. Its team invests \$5 million to \$100 million in companies with strong fundamentals, the opportunity for robust expansion, and positive, long-term trends.

In September 2005, Sterling Partners invested \$10 million in SAVO, who used the funds to support multiple areas of expansion, including hiring, technology development, marketing and sales efforts, providing SAVO with the fuel it needed to expand its rate of growth. Over the past two years, SAVO's employee base has more than doubled, now approaching 80. That expansion required new headquarters in 2006 with nearly three times the space.

### **A Snapshot of Sterling Partners**

- ✓ Illinois offices based in Chicago suburb of Northbrook.
- ✓ More than \$4 billion in capital under management.
- ✓ Invests in companies with an opportunity to accelerate growth.
- ✓ Invested \$10 million in The SAVO Group.

Also since 2005, SAVO's client bookings, or the annualized value of contracts signed, grew by nearly 200 percent, with revenues more than doubling during the same period. Last year represented the seventh consecutive year of growth for the company.

SAVO's software and solutions have won major awards, as well. In 2007, *KM World* magazine, which focuses primarily on content, document and knowledge management, named The SAVO Group among the 100 companies that matter most in knowledge management. Its roster represents

companies that have helped create, enhance or define a market and exemplify innovation in customer service.

The future continues to look bright for The SAVO Group. "We will evolve in a manner that drives the most value for our clients," says Mr. Aiello. "If we stay focused on that, great things will happen at SAVO."

Mr. Aiello, for one, credits Illinois and its "incredible" talent pool, within Illinois and, specifically, in Chicago for contributing to its success. That talent reservoir, he says, includes new graduates from Illinois-based universities as well as executive talent who traditionally have "commuted" for tech companies based on the coasts. He notes that the vast majority of SAVO's employees are Illinois residents. In fact the co-founders were first introduced when both were both attending the University of Illinois.

Mr. Aiello also is establishing an ecosystem of suppliers – advertising, public relations, recruiting, external contractors, among others – from Illinois. "By leveraging this approach, we build a larger network of non-technical companies that understand and can fulfill the needs of growing technology firms," he said in an interview with IVCA. He considers this supplier ecosystem just as important as increasing the number of Chicago tech start-ups.

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The **IVCA Private Equity Profiles** are a continuing series of closer-looks at Illinois venture capital and private equity investments. The series highlight both

venture and private equity backed companies that are proven success stories and some emerging success stories. Each profile includes information on the company and a venture capital or private equity firm that backed the company. It is our intention that these stories will illuminate the important role that venture capital and private equity firms play in growing Illinois companies.

**IVCA** is a non-profit trade association serving the Midwest venture and buyout community. IVCA is focused on growing the size of the industry in Illinois and the Midwest by improving the local ecosystem for investors, entrepreneurs and LPs. On behalf of our members we advocate pro-growth government policies, provide a virtual community for deal flow and networking via our website ([www.illinoisVC.org](http://www.illinoisVC.org)) and host educational and entrepreneurial events that offer networking opportunities for local investors, entrepreneurs, governmental stakeholders and tech transfer groups.

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