



## Zoosk \_ USA \_

- **Founders:** Alex Mehr and Shayan Zadeh
- **Founded:** October, 2007
- **How did Alex and Shayan meet?**

Alex and Shayan were friends at the Sharif University in Iran. When they graduated from the University they both did their PhDs at University of Maryland. Alex then joined NASA in Silicon Valley doing data analytics, and Shayan joined Microsoft doing software development.

Shayan then started a MBA in the University of Washington and Alex a year in to his MBA at Berkeley. Alex, by that time, was pretty active in the valley, hosting one of the first tech Meetups.

- **How did they come up with the idea?**

While doing their MBAs, Alex and Shayan brainstormed for a year on Pollection and launched it on October 2007.

The idea was that better than paying for long and expensive market study, polls on Facebook could help big corporations to know quickly about their brand image, etc. (for example, polls like « do you prefer Dell or Mac? »). Pollection was the Facebook application for such polls, that the founders would sell to big corporations. This event created a Pollection widget that you could post on every website like political science, electronics, etc.

- **First round of funding**

Pollection got viral and was working pretty well. The team was advised by Mike Hodges, from ATA Ventures, that Alex met at Berkeley.

Alex and Shayan pitched at the Plug and Play Expo in 2007 and the very same day closed their seed round with Amidzad and ATA Ventures for \$300 000.

They then hired two engineers; one of them was John Smart, a University of Texas alum that was in Shyon's team at Microsoft, and another student from University of Texas

- **How they changed their business model**

Pollection's most popular poll was « 'who is the hottest girls and 'who is the hottest guy », called the « sex appeal application ». Alex and Shayan then saw the potential of the dating segment.

After their first round of financing, they announced at the first board meeting in December 2007 that they were a new start-up called 'Zoosk', with the objective to become the biggest dating application on Facebook before Valentine's day, with more users than the dating website Match.com.

By Valentine's day, Zoosk became one of the top 20 Facebook applications with 2 million registered users and 200 000 daily unique visits. The company then started to make revenue through subscription, advertisement and virtual goods.

- **Second round of funding**

For their second round of funding, the two founders were introduced to Depak Kamra from Canaan Partners, who was in the board of Match.com. This VC put \$4 million at \$9 million valuation in Zoosk in May 2008. The fact that Zoosk was making revenue allowed the founders to get a good valuation for their second round of funding.

- **Zoosk now**

The Zoosk application on Facebook now has 4,5 million registered users and 200 000 daily unique visits, launched on all social applications (including Myspace and Hi5) and created Zoosk.com with the ambition to become the biggest dating site and the social networking site for dating.



## CASE STUDY