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Norwest: Starting to Put \$1.2 Billion to Work

Norwest Venture Partners late last year [closed a huge new venture-capital fund](#) of \$1.2 billion, nearly double the size of the Silicon Valley venture firm's last fund in 2006 that was \$650 million. Now NVP is starting to put a chunk of that money to work.

NVP is investing \$35 million into New York-based data warehousing and business intelligence firm 1010data, making it the first growth equity investment out of NVP's new fund. Jon Kossow, who joined NVP as a partner last year to grow its growth equity practice — which essentially means the firm will be investing in mature companies that already have products and customers, instead of just young start-ups — will join 1010data's board.

The 1010data investment is NVP's first growth equity deal in a U.S. company since late 2007; in some previous U.S. growth equity deals, NVP was a passive investor and didn't join the companies' boards. The deal is just the latest sign of how NVP is diversifying its investment strategy and becoming more stage-independent. Last year, NVP also did a flurry of growth equity deals in India, for instance.

1010data, founded in 2000 by two Wall Street veterans, essentially takes a corporation's data and then puts the data on a Web platform for the company to analyze and use, says Sandy Steier, a 1010data co-founder and vice president. 1010data charges a monthly fee for its product and service based on the amount of data and the number of users of a client. The company, which has less than 35 employees, has been profitable since 2005, says Mr. Steier. He declined to comment on the company's annual revenues.

NVP managing partner Promod Haque says the venture firm is excited about 1010data because the company is well positioned in the rapidly growing business intelligence space.

Mr. Kossow, who says he initiated the investment with a cold call to 1010data CEO Joel Kaplan, says the company already has many clients in the financial sector and that it could potentially grow into other sectors such as selling to insurance companies, pharmaceuticals, utilities, as well as into overseas markets.

Mr. Steier says 1010data decided to take an investment from NVP partly because of the venture firm's expertise in marketing and sales and overseas markets. "We expect to continue to grow at a much more rapid rate and that requires funding as well as expertise," he says.

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