

# The Entrepreneurial Spirit

An Interview with  
Kevin P. Ryan, Founder, AlleyCorp

**EDITORS' NOTE** Kevin Ryan has launched several New York-based businesses, including GILT, Business Insider, MongoDB, Zola, Workframe, and Nomad Health. He helped build DoubleClick from 1996 to 2005, first as President and later as CEO. Currently, Ryan serves on the boards of Yale Corporation, Human Rights Watch, and The Partnership for New York City, and is a member of the Council on Foreign Relations. He holds a B.A. from Yale University and an M.B.A. from INSEAD.



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**COMPANY BRIEF** Headquartered in New York City's Silicon Alley, AlleyCorp ([alleycorp.com](http://alleycorp.com)) is a network of affiliated companies founded by Kevin Ryan and Dwight Merriman, the former CEO and CTO of DoubleClick.

**Will you talk about the focus for AlleyCorp today?**

I started MongoDB nine years ago and by the end of next year, we'll have about 1,000 employees.

I also have two new companies: Nomad Health, which I announced recently, is my first company in the healthcare space. Through that, we're tapping into the temporary doctor market, a \$15-billion industry. Traditionally, the process is to go through a search firm, which is very expensive. Our idea, which I think is a better option, is to go through a database where doctors are listed with their specialties and when they're available, and selections can be narrowed down and interviewed. We recently raised \$4 million for it.

**What led you into this particular area?**

A doctor at Yale came to me about this idea and I suggested partnering with him. He's on the board and we're now off and running with a great team, including a CEO who went to Yale undergrad and Medical school, and Harvard Business School. These credentials are relevant because we're marketing to doctors and hospitals.

I also started a new media company recently. The first publication is called Denverite. I have nine employees there and there is a real opportunity for something similar in cities like Dallas, Cleveland, Denver, and Atlanta because we can do a better job than the larger publications there. It's similar to the playbook

we used for Business Insider when we went after *The Wall Street Journal* reader. No one thought we would get to 100 million users and we did. We can do the same sort of thing market by market.

**Will you give a snapshot of Zola's business?**

We anticipate that Zola, which I started three years ago, will do about \$140 million in year four. It's a wedding registry so it competes with Bloomingdale's and large department stores, but it's more beautiful and

has many product features these other stores don't have. Bloomingdale's offers items for the home, but a person might already have that stuff and they might be more focused on yoga classes, a tent for camping, Knicks tickets, or certain experiences, or wants guests to contribute to a honeymoon fund. That's what the current generation wants, and we offer a much broader range of products. Forty-thousand couples this year are using this registry; next year it will be 60,000. It's one of the fastest growing e-commerce companies in New York.

**When there are so many existing players in the space, how do you draw awareness to something like Zola?**

One of the ways we can advertise is on places like Facebook. If someone changes their status to engaged on Facebook, they'll start seeing ads for Zola within six hours, and they are only shown to people who announce their engagement within three to six months.

We also advertise in some wedding magazines, but the great thing about the wedding space is when someone chooses Zola, they will invite an average of 100 people to their wedding and will tell those people about their registry.

Next year, one million people will buy a product on Zola, which is the same number as on Gilt and it's only our fourth year.

**How is your Workframe business developing?**

Workframe is focused on office interiors and it's still early stage. The goal is how to help small and large companies in their design process.

If someone is moving offices and they are small, we will bring in people who have done it before and can do it very inexpensively.

**Will you touch on where Business Insider stands today?**

Business Insider is doing incredibly well. They are opening this year in Poland, Germany, and France and they're already in 10 countries. More reporters are getting hired so they will get deeper coverage in every category, and a bigger subscription business. It's, by far, the biggest business news site in the world and it has a shot at being the biggest news site in the world.

**Was it hard to separate from a company like Gilt?**

I always have to feel like this company will be more valuable a year or two from now than it is today and I have lots of good ideas to make it better.

In Gilt's case, I didn't like the dynamics of the industry. It's a great product, millions of people buy on the site, but it's a very hard industry to make money in. We're competing against a lot of retailers who are struggling. If everyone discounts their products, which everyone is doing, then no one makes money.

When we sold Gilt, it was less valuable than it was three years before and I didn't think it would get more valuable. I also didn't have great ideas to make Gilt a better business. I felt Saks brought value to Gilt. Anything one buys on Gilt can be returned to a Saks store. Saks buys hundreds of millions of dollars in merchandise from every vendor, so now they have merchandise to put on the Gilt site.

They bring inventory and scale to it, and the Gilt people were onboard because they will play a huge role in managing the e-commerce for Saks. It's a win-win.

**How is the global economy faring today and is the U.S. really the place to go for that growth?**

Absolutely. The U.S. is, by and large, doing extraordinarily well. Corporate profits are at an all-time high. There are still challenges and risks but in general, it's fantastic. The U.S. is leading the world in innovation and, within that, it makes sense that some large companies are losing market share as some smaller companies take it away. There are transformations in the economy and that is good.

The Middle East and Brazil are causing some issues, but the rest of Latin America is doing surprisingly well. Asia is doing quite well. Companies are growing. We have seen more growth in Africa over the past 10 years than we saw in the 10 years prior. Europe is static for now. There are still a number of huge challenges in the world. ●