

Dataspace uses data management background to launch customized software strategy

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A 15-year-old data management consultancy is delving into Web-based software development for the first time.

Ann Arbor-based [Dataspace](#), which has about 10 employees and contractors, is developing customized software packages designed to offer solutions for complex business problems.

Meanwhile, the company signed a deal with Ann Arbor-based data center firm [Online Technologies](#) to provide the infrastructure for its new software strategy.

Benjamin Taub, CEO and founder of Dataspace, said his company's new strategy reflects a natural evolution of its data-centric consulting activity. The company has identified various unmet needs in the "business intelligence" software arena, he said.

Major corporations often find themselves swimming in massive quantities of data with little ability to draw conclusions from it.

"We help companies build systems that structure that data in a way that managers can analyze it," Taub said. "We help companies take advantage of the data they've already invested in."

Dataspace has traditionally maintained a data management services business based on hourly fees. But he said the company's new data analysis software packages would be based on subscription rates.

"That hourly model in a lot of industries is proving to be troublesome, because the incentive is to bill a lot of hours, not to provide a product," he said.

Online Tech will provide the data center capacity for the clients that sign up for Dataspace's software solutions.

"They're moving their business intelligence engines into software-as-a-service, and in that market making sure your servers are always online, always powered on, and running on redundant infrastructure is very important," said Mike Klein, president and chief operating officer of Online Tech.

Dataspace's early strategy involves software packages designed to conduct a variety of activities. They include: projecting hospital patient populations; analyzing profit margins; and projecting jail overcrowding.

Taub said the company would hire "judiciously" over time as its packaged software solutions find favor among its clients. He expects software revenue to soon account for at least 25 percent of the company's revenue.

Its strategy involves piggybacking on existing technology to minimize the amount of software development necessary. Instead, the company is focusing most of its manpower on developing data analysis techniques.

"We're adjusting to the needs in the marketplace," said Stu Silberman, head of marketing for Dataspace.

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