

## The Big Picture: In Focus

*The following is excerpted from the March 2004 issue of Release 1.0.*

### **Mindfabric: We know what you want**

BY CHRISTINA KOUKKOS

Aptly named Mindfabric wants “to connect what’s in the mind of your customers with the fabric of the information you’ve collected over the years, but can’t present well,” says CEO Dan Gregerson. Mindfabric was formed around a set of 375 linguistic-processing patent claims. When Gregerson joined in August 2001, he quickly restructured it into a software company, using \$14 million in private funding (including his own). Earlier, Gregerson had founded Intelligent Technologies, which made technology to facilitate communication between PCs and IBM mainframes. In 1986 he moved on to found PeerLogic, “the first company to deliver an entirely peer-to-peer distributed commercial computing environment,” he says. After selling Peer-Logic to Critical Path for \$416 million in September of 2000, he joined Mindfabric.

The Mindfabric software “listens” to what customers are saying – in their searches on websites, in their e-mail inquiries and so on – in an attempt to automatically understand the question and give the right answer. It then closes the communication loop, telling businesses what’s on the minds of their customers. “Call-center representatives are driven to keep calls as short as possible,” Gregerson points out. “They have no reason to record the content and feelings and aggravations of customers.”

To find the right answer from tens of thousands of pages of documents, Mindfabric builds a knowledge base by performing linguistic analysis on any document that its client’s customers may want to gain access to. Once Mindfabric knows what the company knows, it moves on to the *customer*. The front-end interaction engine performs a real-time semantic analysis of a customer’s natural-language query – say, “How can I combine my DSL and cell-phone bills?” It then offers the (semantically) appropriate content, which could be the answer to the question (“Enter your DSL account number and your phone number below and your bills will be combined in your next statement”), a cross-promotion (“sign up for long-distance service!”), an upsell (“get more minutes for just \$5 more per month”) or any other sort of con-

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The conversation starts here.

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tent. And it can assess customers' responses to the content delivered: Do the upsells work? Do people fill in their account numbers? Or do they abandon their task?

The substance of these queries and reactions is saved and used to analyze customer wants, to find holes in the content a company offers and to discover demand trends. "Mindfabric helps companies validate their product roadmap. It gathers more data than a focus group," says Gregerson, "taking a database of millions of customer interactions and categorizing them." In addition to offering a number of standard reports, Mindfabric stores the data in a form that's usable by popular visualization and reporting tools. The company also offers connectors to other enterprise applications as well as APIs for clients to build custom connectors.

Like many companies that depend on a foundation glossary for natural-language processing, Mindfabric is focused on building knowledge bases for vertical markets – in this case, starting with banking. Gregerson says it took about three months to populate the knowledge base with data about the banking business and the products of Mindfabric's first customer, Ohio-based Huntington Bank. But its next two customers, AmSouth Bank and Associated Bank, were up and running in four *weeks*. "Our customers provide domain expertise," says Gregerson. "We provide the knowledge-engineering expertise." The company has just started work with the Bank of Montreal and will soon start work with a client on its next vertical: insurance.

At the moment, Mindfabric sells software licenses based on the number of website visitors and the number and complexity of corporate content. But Gregerson plans to move the company to a utility model.

In terms of the technology, the company plans to move from the basic search-query model toward "guided interaction," where the client software asks the customer specific questions. "The final step is open dialogue," says Gregerson, "where the computer will talk to you – at least within a specific domain. That will mark a new phase in the evolution in person-machine interfaces."