

# Currently valued at over \$7 million, Bluedot Innovation prepares to raise a Series A round

By Mat Beeche – 4 December 2014

Bluedot Innovation is an Australian technology company that specialises in advanced location services for smartphone applications. The technology is an enterprise level solution that has been designed for an international market and to scale.

Founded by Filip Eldic and Emil Davityan, the startup began its days as part of the ANZ Innovyz accelerator program in Adelaide. Since day one, the company has had a focus on enabling the next generation of location based commerce and innovation. Some examples of what that could look like would be, instead of using an e-tag to pay tolls on city freeways, a mobile application could be created that does that automatically via your smartphone when you hit that exact spot on the freeway during your daily travels.

Bluedot is a pure technology play, and is solving three main problems that currently exist with mobile applications. The first is that, for the most part, precise location services drain an immense amount of battery life from smartphone devices, and the second problem people face is having to install, quite often expensive hardware to balance things out. The third and perhaps the most important for users is centred around privacy concerns. Whilst a lot of solutions on the market collect an alarming amount of personal data from users, Bluedot does not track or collect any information.

“What we have done is created the most innovative location based services market today where we can deliver twenty times the precision of other location based services, without using any additional hardware, making it globally scalable, with most of the battery grade prevented allowing apps to be used throughout the day,” said Davityan.

What makes Bluedot’s story an interesting one, is that in the very early accelerator days, when they were a two man band, needed to team up with a technology partner themselves to help create the prototype of what their software is now today.

“We needed assistance with developing the original prototypes and help developing the original IP,” said Davityan. “ And so in the very beginning Appster was essentially a development partner for us. We were just in the first stages of the company, and Appster understood what we were trying to do, they also understood that we didn’t have many resources, but they were excited by it and got behind us”.

In fact, using Appster to create the original prototypes turned out to be a critical move for the young company, as these prototypes turned out to be pivotal in raising over \$1 million in seed funding. This set things in motion for the business which then hired its own internal team of developers, and it allowed them to score other wins such as the recruitment of PayPal’s Founding CFO, David Jaques, as a director late last year. The company also partnered with Braintree Payments Inc. which was acquired by PayPal.

The company is currently valued at \$7.45 million but that number is set to rise soon as currently both Eldic and Davityan are in funding negotiations with the aim of raising a Series A round in the vicinity of between \$1.5 and \$2 million. The pair are also casting their net quite wide speaking with investors in Australia, across Asia and the United States.

Davityan told Startup Daily that this will be used as growth capital and will primarily be used to establish and expand direct sales resources and enhance marketing and customer acquisition activities. In particular there will be a direct sales presence established in the United States.

The relationship with Appster didn’t end with Bluedot hiring its own sales team either. In fact, since those early days it has flourished with the relationship being an ongoing one. The two companies work together on a lot of projects meaning that customers get a combination of Appsters cutting edge development work and the outstanding location based technology that Bluedot delivers. This, as Davityan says, has meant that together the two businesses have created some ‘really cool products’.

“Our partnership with Appster works really well, as both our companies are aggressively focused on being global. Meaning that as both our businesses scale we can keep up with workloads that come out of the mutually beneficial partnership,” said Davityan.