



September 20, 2001

YottaYotta raises \$40-million Data-storage firm defies the chilly investment climate

Carol Howes
Financial Post

CALGARY - Despite the dismal capital markets for technology companies, YottaYotta Inc., a private data-storage company, said yesterday it has raised \$40-million with several institutional investors and venture funds.

"This is a major financing in today's market by U.S. standards, let alone Canadian standards," said Richard Prytula, president of TechnoCap, a Montreal-based venture capital company which has participated in three rounds of financing for the fledgling company.

"It's the largest financing I know of in Canada for a while and I'm sure it's going to be one of the largest between now and the end of the year."

YottaYotta's technology allows fast and secure access to massive amounts of stored data in servers located in different geographic locations -- a sector that has attracted heightened attention after last week's deadly attacks on the World Trade Center and the Pentagon, which wiped out untold amounts of stored information.

YottaYotta has raised \$75-million since it was launched in January, 2000, from a combination of a tiny Edmonton-based company Myrias Computer Technologies, Seek Storage Systems of Seattle and capital from TechnoCap.

This latest round includes Bank of America Securities, a subsidiary of Bank of America Corp., Noble Networks of New York, the pension fund Bombardier Trust UK of London, Davenport Capital Ventures of Boston and the Grosvenor Funds of Washington, D.C.

Steve Mattioli, chief executive of YottaYotta, who founded the company with Wayne Karpoff of Edmonton, said the funds will be used to take the company's products to market early next year.

"YottaYotta is very pleased to complete this financing with such high caliber investors given the current investment climate," he said.

The company employs 166 people, about two-thirds of those in its research division in Edmonton, with the rest split between its executive offices in Kirkland, Wash. and a third office in Boulder, Colo.

YottaYotta's technology allows companies to be fully operational in seconds from any location if systems elsewhere go down.

Mr. Prytula said the tragic events of Sept. 11 has heightened interest for disaster recovery and backup systems. "You should be able to as a major corporation be functional at another location within seconds and that wasn't the case," he said.