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Kepha Partners Expands—Eric Hjerpe Joins as a Partner

Early Stage and Value-Add “Venture Building” Firm Grows to Address Market Demand

Waltham, Mass – May 29, 2009 - Kepha Partners today announces that Eric Hjerpe has joined the team as Partner. Hjerpe brings over 23 years of operating and investing experience to the firm. He joins Partner Jo Tango and CFO & Partner Ed Hamilton at a firm that engages with entrepreneurs on early-stage ideas, often before a business plan is written.

Hjerpe spent 17 years early in his career working for and with technology companies. In the late 1980s, he founded a software company that wrote desktop software for product development engineers. In the early 1990s while at MIT Sloan, he worked for the Center for Information Systems Research (CISR), studying new software development methods. In the mid 1990s, his team at Silicon Graphics was one of the first to deploy complex applications over the web. In the late 1990s, at Siebel Systems, Hjerpe started the Siebel subsidiary SiebelNet, which partnered with USinternetworking (USi) to provide Siebel Enterprise Applications via the internet. He became interested in venture capital when, at Siebel Systems, he sponsored the company’s investment in USi, which returned 12x in less than a year.

Prior to joining Kepha Partners, Hjerpe was a Venture Partner and Partner at AtlasVenture, where he spent 6 years. He worked with AtlasVenture portfolio companies Active Endpoints, Fireclick (sold to Digital River), Globoforce, OpenRatings (sold to Dun & Bradstreet), OwnerIQ, Performix Technologies (sold to Nice), SimpleTuition, SupplyWorks (acquired by Intuitive), TrueAdvantage (acquired by InsideView), and Virtual Logix.

He holds a Master of Science in Management from MIT Sloan School of Management and a Bachelor's degree from Brown University. He currently serves on the Board of Directors of the New England Venture Capital Association (NEVCA).

“Eric’s professional experiences, including those from Siebel Systems, allow him to relate to entrepreneurs at an operational level” commented Patricia House, Siebel Systems Co-Founder and currently CEO at C3, LLC. “He can provide real help to entrepreneurs building scalable, lasting companies.”

Hjerpe joins a firm whose cornerstone strategy is its “Venture Building” program, which advises start-ups prior to investment. The partnership typically starts engaging with entrepreneurs at the earliest stages, often before a business plan is written. To date, the firm has been working with some very successful serial entrepreneurs. Two of the fund’s portfolio companies involve Cheng Wu (co-founder of Azuki Systems, Inc.) and Michael Stonebraker (co-founder of ByLedge, Inc.). These two founders collectively have started 10 companies that to date have generated nearly \$8 billion of shareholder value.

“It is a great time to invest in emerging technology companies,” said Eric Hjerpe. “I’m also very excited to join a partnership so focused, passionate and driven about helping entrepreneurs create huge companies that have lasting impact.”

“Eric has keen operational insights and tremendous personal integrity, and we feel privileged to be his partners,” said Partner Jo Tango. “His personal connections and expertise add great value to entrepreneurs starting new companies.”

About Kepha Partners:

Kepha Partners is a venture capital firm based in Waltham, Massachusetts. The firm is passionate about starting companies and its partners have successfully and repeatedly helped entrepreneurs take companies from idea to reality. Over their 70 years of collective experience, they have worked with over 60 founding teams and have established a proven track record of being an entrepreneur’s trusted partner. Through its “Venture Building” program, Kepha Partners advises start-ups with active hands-on participation, often before a business plan is written. In addition, the firm has helped start a number of companies in Kepha’s offices. By working with founders to refine their product development and go-to-market strategies, make key hires, and close initial deals, Kepha helps its portfolio companies establish a strong early foundation for success. The firm manages \$100 million of capital. More information is available at www.kephapartners.com.

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