

VisionShare lands \$1.7M to add staff

Data-security company VisionShare Inc. has closed on \$1.7 million in venture capital, topping off a funding round that raised \$600,000 earlier this year.

The St. Paul company, which develops software that allows data to be shared securely over open networks, closed on the funding last month, said President John Feikema.

The round was led by Lake Front Partners of Milwaukee, a



Mark Reilly

Senior reporter

group of investors who also brought in Sierra Venture Partners, San Diego. Previous investors have included Space Center Ventures, Roseville.

Feikema was cheered by the attention VisionShare drew far from its home turf: "One of the things we found heartening was that the appeal of this is obviously broader than just a Minnesota application."

Proceeds of the round will go toward building a sales team; VisionShare currently employs about 16 people and expects that figure to double by the end of the year.

Currently, VisionShare sells largely into the health care market. It pitches its system to Medicare contractors who process claims from doctors nationwide. Doctors submitting claims must currently use secure dial-up connections (often paying long-distance fees). Using VisionShare's system, providers can connect directly through the Internet, saving costs without sacrificing security.

Feikema said VisionShare's next step would be to expand into the financial-services market, which has similar issues in exchanging data across long distances. The company already has one customer in that sector — Feikema identifies it only as "a top 10 bank" — but the company hopes to boost its penetration in future years.

VISIONSHARE INC.

City: St. Paul

President: John Feikema

Business: Data security

Founded: 2001

Employees: 16

2002 revenue: \$500,000

Web site: www.visionshare.com