

postnet.com

Business
Technology



> Front Page

SECURITY-SHRED
INFORMATION DESTRUCTION SERVICES

Protect your company's well-being.
Get the first month of service free!
www.securityshred.com

click
now!

Ad info

Good afternoon, St. Louis | Tuesday, February 15, 2000

Sections | [A&E](#) | [Business](#) | [Communities](#) | [Marketplace](#) | [News](#) | [Shopping](#) | [Sports](#) | [Help](#) | [My postnet.com](#)

Path | [Home](#) >> Business

[Index](#) | [Archives](#) | [Calendar](#) | [Classifieds](#) | [Contact](#) | [Extras](#) | [Forums](#) | [Guides](#) | [News Links](#) | [Register](#) | [Search](#) | [Site Map](#) | [Special Reports](#) | [Today's Post](#) | [Traffic](#) | [Weather](#) | [Wires](#) | [Yellow Pages](#)

In Business

[At Work](#)

[Headlines](#)

[Technology & You](#)

[Your Money](#)

Current features

[Wall Street Journal](#)

[Sunday](#)

[Investors Guide](#)

[AP Wire](#)

[Business](#)

[Columnists](#)

[Business Top 50](#)

[Executives' Pay](#)

[Motley Fool](#)

[New ways to treat
pain](#)

Search section

[Advanced Search](#)

Posted: Saturday, February 12, 2000 | 5:32 a.m.

[E-mail this Story](#) to a friend

"Dot.com" strategy pays off for spinoff here
By [Virginia Baldwin Gilbert](#)
Of The Post-Dispatch

When co-founders Jim Kavanaugh and David Steward decided to spin off the telecommunications part of World Wide Technology Inc. last fall, they chose the rather unwieldy name of Telcobuy.com on purpose. "It was not an accident to have "dot com" in the name," Kavanaugh said Friday. "It's very indicative of the type of business we do."

World Wide, based in Maryland Heights, had grown its telecom business from equipment distributor into creating the first - and so far, only - business-to-business Internet portal for buying and selling telecommunications equipment.

That "dot com" strategy in the name and in the business has attracted two Boston-based venture capital firms to put \$25 million into the company.

Summit Partners, with investments in the telecommunications industry, and Highland Capital Partners, experienced in Internet businesses, announced the investment earlier this week.

[Get Stock Quote](#)

[Look up a symbol](#)

Related links

- [World Wide Technology Inc.](#)

Business forums

- [Millennium](#)
- [Talking Business](#)
- [Your Money](#)

Local businesses

- [Accountants](#)
- [Attorneys](#)
- [Auctions](#)
- [Auto Dealers](#)
- [Auto Guide](#)
- [Business Consultants](#)
- [Computers](#)
- [Copying Machines & Supplies](#)
- [Couriers](#)
- [Employment Agencies](#)
- [Financial Planners](#)
- [Insurance Agents](#)

TODAY'S
ST. LOUIS POST-DISPATCH

CLASSIFIEDS



YELLOW
PAGES



Featured advertiser



Featured advertiser



Classifieds

[Bids/Proposals](#)

[Wanted](#)

[Business Opp.](#)

[Career Seminars](#)

[Commercial Land
For Sale](#)

[Comm. Properties](#)

[Computers](#)

[Employ. Referrals](#)

[Employ. Resources](#)

[Estate Sale](#)

[Legal Notices](#)

[Mdse. Wanted](#)

[Office Equip.](#)

[Photo Equip.](#)

[Printing Equip.](#)

"The market we're in is hotter than ever," Kavanaugh said. "What we have in place today is unique." He said the new spinoff needed "more focus, more attention."

The cash will allow Telcobuy.com to hire software engineers to work in research and development here as well as sales people in Texas and on the coasts, he said.

Telcobuy.com employs about 75 people: 60 in St. Louis and 15 in Dallas. The company expects to hire another 100 by the end of the year.

"We enable both supplier and customer through the entire supply chain process," said Kavanaugh. "We may buy a Lucent switch that will be deployed into the Southwestern Bell Telephone network. There are hundreds of miscellaneous materials that go with that."

Telcobuy.com brings them all together and manages "all the backend fragmented suppliers."

The company has taken one-stop shopping and Internet business-to-business functions to new levels, creating for customers the sort of customization that Internet users have grown accustomed to in consumer sites like Amazon.com.

A Telcobuy.com customer may get an interface that could give specific information: order history, phone contact names of engineers they've worked with, project plans for different site installations they've worked on, plus a store site tailored to their specific buying habits, Kavanaugh said. The company has worked on the project for 3 1/2 years. The site (www.telcobuy.com) has been fully functional on the Internet since fall.

The company talked to venture capital firms on the West Coast, but they wanted the St. Louis-based company to move.

"We're not interested in doing that," Kavanaugh said. "The retention rate we've had is very good. Out there, people are jumping ship every day for the next startup or IPO."

- [Investments](#)
- [Office Supplies](#)
- [Restaurants](#)
- [Tax Preparers](#)
- [Travel Agencies](#)

[Restaurant Equip.](#)

[Sailboats](#)

[Store Equip.](#)

[Tools](#)

[Video Equip.](#)

It didn't take Telcobuy.com long to find firms in Boston that did not demand geographic proximity.

"We decided (to seek investors) some time in November, and within 30 days we'd selected the venture partners we have today," Kavanaugh said.

Steward, who has garnered many awards as a leading minority businessman, will remain as chairman of World Wide Technology, but will be a majority owner in Telcobuy.com and will be on its board.

Kavanaugh will remain on the board of World Wide Technology, and is now chief executive of Telcobuy.com.

[Top of the page](#) | [Back to postnet.com home](#)
[E-mail the Business editor](#) | [About the Business](#)
section | [Toolbox](#)

Subscribe to the [Post-Dispatch](#) | Get [Internet access](#)
from postnet.com
[E-mail this URL](#) to a friend | [Advertising information](#)

© 2000 St. Louis Post-Dispatch, [postnet.com](#)

[Sections](#) | [A&E](#) | [Business](#) | [Communities](#) | [Marketplace](#) | [News](#) | [Shopping](#) |
[Sports](#) | [Help](#) | [My postnet.com](#)

[Path](#) | [Home](#) >> [Business](#)

[Index](#) | [Archives](#) | [Calendar](#) | [Classifieds](#) | [Contact](#) | [Extras](#) | [Forums](#) | [Guides](#)
| [News Links](#) | [Register](#) | [Search](#) | [Site Map](#) | [Special Reports](#) | [Today's Post](#)
| [Traffic](#) | [Weather](#) | [Wires](#) | [Yellow Pages](#)

[postnet.com](#)