

Online greeting card firm looks to grow

Business recently acquired by gift card giant

BY STACY VOGEL DAVIS

svogeldavis@bizjournals.com

John Anderson, founder and CEO of GroupCard, believes his company will be a household name in a few years.

The online greeting card company, started by Milwaukee natives Anderson, Bob Ralian and Rich Lorbach, was recently purchased by gift card giant InComm, giving it access to an international market that includes some of the world's largest retailers. The company, made up of four full-time workers, plans to triple its work force over the next year and significantly expand its product line.

The company, based in Milwaukee's Walker's Point neighborhood, allows users to collaborate online on greeting cards and gift cards through its website, its Facebook application and the sites of retail partners. Last year, the company facilitated 784,000 GroupCards containing more than 10 million messages, and it counts at least 1 million unique users.

The idea came to Anderson, who now lives in Portola Valley, Calif., in 2007 as he finished a business degree at Stanford University. A popular professor was retiring, and a few students wanted to get the entire class to sign a greeting card for him.

In late April, InComm announced it had bought the company for an undisclosed amount. The Atlanta company created the technology that activates prepaid gift cards. It works with more than 250 consumer brands.

GroupCard is one of several online companies InComm has acquired in recent months. The company is aggressively seeking new digital opportunities and believes GroupCard will help it offer more options to its customers, said Brian Parlotto, an InComm senior vice president.



SCOTT PAULUS

Bob Ralian (right, with developer Jonathan Sadowski) started GroupCard in 2007 with John Anderson and Rich Lorbach.

He came up with the idea of a website that would let multiple people post messages and photos to a greeting card, then deliver it electronically to the recipient. He added the idea of collaborative gift cards, giving the project a built-in revenue model that many social media networks lack.

He told his idea to a few people and was referred to Ralian and Lorbach, who happen to live in Anderson's hometown of Milwaukee. Ralian, a website developer, and Lorbach, a graphic designer, started the photo-sharing website ZingFu.com and were in the process of selling it to National Lampoon at the time. They saw the potential for the project and came on board, Ralian as chief technology officer and Lorbach as chief creative officer and part-time graphic designer.

From the beginning, the company had supporters in high places. It raised \$500,000 through angel investors including Matt Mulenweg, founder of the online publishing platform WordPress; fbFund, a seed fund for companies creating innovative Facebook applications; and Yee Lee, an early product manager with PayPal. Al Lieb, co-founder of Evite and another Milwaukee native, is an adviser to the company.

FbFund gave GroupCard a grant of \$250,000 in addition to its direct investment in the company.

The company started offering collaborative greeting cards in fall 2007. It launched its first gift card product the following May, selling Amazon.com cards through its website and Facebook application.

Today, the company is focused on building its business with merchants. It currently works with a handful of retailers, including online clothing store Zappos.com Inc. and local retailers Actaea Works Limited and AJ Bombers.

The company declined to reveal revenue figures.