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ENVIANCE USES WEB APPLICATION TO MANAGE ENVIRONMENTAL COMPLIANCE

Founded in 1999, San Diego-based **Enviance** quickly made its mark in environmental compliance reporting software with sales to energy companies such as **UAE Energy Operations Corp.** (Woodcliff Lake, New Jersey) and **Arctic Slope Regional Corp.** (Anchorage) and manufacturers such as **Sherwin-Williams Co.** (Cleveland), as well as a joint project developing a Toxics Release Inventory (TRI) reporting package with **DuPont Co.** (Wilmington, Del.).

"We have utility customers, chemical industries, petrochemical, electronics, pulp and paper and various process industries," said Lawrence Goldenhersh, founder and president. Enviance has doubled its revenues in each of the last two years, according to Goldenhersh, who declined to provide a dollar figure or a range.

Goldenhersh started Enviance after working at the law firm of Irell & Manella in Los Angeles, where he handled intellectual property litigation for information-technology companies. "I was a believer in the Internet revolution and I felt that we could really create something of tremendous value by applying the data management capabilities of the web to environmental compliance," said Goldenhersh.

The Enviance system "dramatically streamlines the cost involved in managing environmental data and dramatically enhances the quality of environmental compliance," said Goldenhersh. Cutting costs and improving compliance levels are clients' top motivations in choosing his product, he said.

BUILT FOR THE WEB

Goldenhersh says Enviance is distinguished from its competitors in that its system "was built with web tools specifically for the web and is not a legacy client-server product attempting to get to the web." Such products, he says, are burdened with limited scalability and performance, while "products designed initially for the web have tremendous scalability and vastly improved performance."

Enviance runs as an ASP on company servers set up at a "co-location facility run by a major publicly traded company," said Goldenhersh. Data security at this "server farm" is part of Enviance's pitch. "These are concrete bunkers that are biometrically secure—you need a handprint to get in—with uninterruptible power supply as well as redundant access to the backbone of the web," he said. In his view, competitors offering ASP systems on less secure facilities are "putting all their customers at risk."

Product flexibility is another competitive advantage, according to Goldenhersh. "The product allows the user to mold the product to the users' business rules rather than forcing the user to mold its business rules around the product," he said. And so is the company's environmental and information-technology expertise. "In house, we have over 50 years of experience in air, water and waste as well as... database design experience in all relevant platforms including Microsoft.net."

HICCUP IN ELECTRONIC FILING

Allowing clients to file compliance reports electronically was supposed to become an Enviance specialty, but that goal has been sidelined for now. In June 2000, company clients used the Enviance ASP to file Storm Water Discharge Reports to the California State Water Resources Control Board. The SWRCB report was expected to be "the first of hundreds of environmental reports that businesses will be able to file directly [through the Enviance ASP] with federal, state and regional agencies in the months ahead," according to an Enviance news release.

"That program did not continue in 2001 because that particular agency was in the process of reorganizing its hardware and software," said Goldenhersh. When will online reporting resume, or extend to other California regulators? "That's an open question. When you work with government, sometimes you just have to figure out where government is and what it can do and mold your expectations to that."

"I believe it's happening in other states and the federal government has programs that are going down the path toward creating a standard for filing in the electronic space," he said. "The advantage to the filer is the time and costs saved in what otherwise would be pulling information out of a database, putting it on a form and sending it on a disk. But far more time would probably be saved on the government's end if the agencies were able to use online form filing as a way to record data into a database directly without having to first receive paper and then input the paper." (See EPA electronic filing story on page 9.)

Goldenhersh said "several" environmental consulting companies are working with Enviance on their clients' environmental programs, although he declined to name specific firms. "The system itself is not a consultant. It is a tool to organize and manage environmental data," he said. "We work with consultants and allow them to enhance their efficiency and add increased value to their customer base."

Some clients have begun using Enviance for compliance reporting in foreign countries. National regulatory regimes can easily be accommodated, but adapting the system to non-English speaking countries remains "a challenge," according to Goldenhersh.

In the future, Enviance will license its software to companies that want to put the system on their own Intranet. "The product is available for that type of installation," said Goldenhersh. "We're in the process of making those sales."

The company also may go after the business of smaller companies. "Given the demand for our product with companies ranging from mid-market cap to billion-dollar-plus... we've not yet had time to focus on the very small companies, although the product would suit them quite well."

Goldenhersh also said Enviance is considering acquiring related companies, although he wouldn't discuss acquisition strategy. And it may roll out one or more new products soon. "We have some exciting technology that we're patenting, but I can't say what it is yet." ■

Enviance

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