Scale Computing scores $17M in venture capital

IBJ Staff

November 23, 2010

Indianapolis data-storage firm Scale Computing on Tuesday announced it has landed $17 million from a California venture fund to help fuel its expansion plans.

Scale, based at Purdue University's technology park just south of Indianapolis International Airport, expects to triple its work force during the next three years, it said. The company currently has about 60 employees.

The latest funding round was led by Silicon Valley venture firm Scale Venture Partners and included two other California venture funds, Benchmark Capital and Northgate Capital.

Scale Computing has raised more than $31 million in venture capital since its founding in 2008, including a $9 million investment from Benchmark Capital in March.

In its initial fundraising, Scale Computing scored nearly $6 million from locally based VC firms such as CID Capital and Blue Chip Venture Co.

The latest funding will be used to increase Scale Computing's market share, drive international expansion and product development, and fund job growth, the company said in a press release.

"This round of funding, coupled with the support of our investors, will help us increase our global footprint and really hone in on increasing our market share in the $7.7 billion [small and medium-size business] storage space," Scale Computing CEO and co-founder Jeff Ready said in a written statement.

With the funding, Rob Theis, managing director of Scale Venture Partners, will join Scale Computing's board.

In 2009, Forbes ranked Scale Computing No. 16 among the fastest-growing young companies in the nation. The firm surpassed 100 customers earlier this year and could reach $8 million in revenue.

Scale Computing was founded in the San Francisco suburb of San Carlos, Calif. Ready, a Hoosier native and a Rose-Hulman Institute of Technology grad, moved the company to Indiana last year with the help of a $2 million grant from the Indiana 21st Century Research and Technology Fund.