



"I have a habit of being too aggressive, building the business too quickly and hiring staff. It was because I always believed in the value of the Internet, even after the dot.bomb, and I wasn't wrong about it but at the time, I didn't have the money to fund it!"

THE BUSINESS MODEL

incuBeta's business model is simple yet innovative. It places over 30 million adverts on Google on behalf of clients all over the world but the company doesn't actually spend client's money upfront; it pays Google directly for the traffic and then sends this on to clients, adding a margin and thereby making a profit. Because of its expertise in the internet marketing space, incuBeta is in a better position than its clients to determine what will drive traffic and increase sales. As Lingham explains, "Our business model uses statistical methods and proprietary technology that we developed in-house to minimise the risks of buying traffic."

It's a model that has generated millions of Rand's worth of sales for clients and launched incuBeta into the cyberspace stratosphere. Within four months of starting up, the company was making R250 000 profit a month. "It just took off. In year one turnover was about R2,5 million, then R15 million the next year, then R24 million the next. It's just a blur really."

CREATIVE MARKETING WITH BLOGS AND CONFERENCES

Lingham marketed the business mainly by speaking at international conferences and developing a reputation for knowing what he was talking about. "Every time you speak at a conference you

BUSINESS GROWTH TIMELINE

FEBRUARY 2003

Lingham sells his house to fund the start of incuBeta.

MAY 2003

R125 000 in capital received from proceeds of sale of house.

JUNE 2003

Business idea conceived and tested in Johannesburg (in house now rented from the new owner).

OCTOBER 2003

Co-founders (Charlene Troskie-Lingham, Llewellyn Claasen & Eric Edelstein) join and the business moves to a house in Constantia, Cape Town.

NOVEMBER 2003

First employee joins company.

DECEMBER 2003

Company turns R250 000 profit with five people.

JANUARY 2004

Company moves to Bandwidth Barn offices in Cape Town.

FEBRUARY 2005

R1,4 million funding received from Angel investors.

MARCH 2005

incuBeta grows to 10 people and starts penetrating US market.

SEPTEMBER 2005

Company moves into 1 000 m² offices in Bree Street (30 staff). Clicks2Customers (US subsidiary) wins Horizon award for Innovation.

NOVEMBER 2005

Company wins Most Promising Emerging Enterprise Award in the Business Day Technology Top 100 Awards.

DECEMBER 2005

Company receives investment from TEIM Ventures.

FEBRUARY 2006

Eric Edelstein (co-founder) departs.

MARCH 2006

Retrenchment of seven staff due to "overgrowth" and strong Rand (earnings are foreign currency).

DECEMBER 2006

Company receives further investment from TEIM Ventures & Southern Cross Capital (Oppenheimer Fund) and Llewellyn Claasen departs to pursue his studies.

JANUARY 2006

Giles Douglas takes the reins as CEO of incuBeta.

JULY 2006

Clicks2Customers wins Leadership in Innovation Award in UK.

AUGUST 2006

incuBeta acquires 25% of Quirk. Lingham appointed to Valueclick's CJ Advisory Board.

SEPTEMBER 2006

Clicks2Customers wins Horizon Award for Global Vision in USA.

OCTOBER 2006

incuBeta wins Top Technology Company in South Africa (SME) in Business Day Technology Top 100 Awards.

NOVEMBER 2006

Lingham wins Top Young Technology Entrepreneur in Africa Award.

DECEMBER 2006

incuBeta selected as Endeavour Company.

MARCH 2007

Lingham Capital acquires 63% stake in Synthesisite as part of a management buy-out, from incuBeta.

APRIL 2007

Lingham appointed to Yahoo Advisory Board.