

FEBRUARY 24 - MARCH 2, 2006

Fresh air

Motorist gadgets revive Airbiquity

ERIC ENGLEMAN
STAFF WRITER

Local telecom company Airbiquity Inc. is gaining some altitude again after nearly crashing during the economic downturn.

The company, which underwent a drastic downsizing just a few years ago, is adding employees, with plans to double its staff to 40 over the next several months. As part of the recruitment effort, Airbiquity recently moved from its longtime base of Bainbridge Island to downtown Seattle, where it now occupies 10,000 square feet in the Waterfront Place Building at 1011 Western Ave.

Airbiquity's strategy for revival hinges in large measure on its relationship with automaker General Motors Corp. Airbiquity supplies software used in GM's OnStar security system. Now, Airbiquity is looking to build on its track record with GM to forge deals with other automakers and roll out a new product that allows drivers to access systems like OnStar through their cell phones.

At first glance, General Motors seems like a shaky foundation for Airbiquity. The automaker has been struggling with disappointing sales and heavy foreign competition, and racked up losses totaling \$8.6 billion last year. But Airbiquity CEO Kamyar Moinzadeh said the OnStar subsidiary is a profitable unit within GM, and is poised to survive any turmoil.

"We're hoping that even though the company is struggling, the OnStar business unit is a shining star," Moinzadeh said.

Airbiquity, which was founded in 1997, soared during the technology boom, attracting some \$46 million in venture capital from big-name investors like Madrona Venture Group and then-Infospace CEO Naveen Jain. The company's software can send data over cellular voice channels.

Airbiquity originally promoted its technology as a means to pinpoint the location of people who call 911 on cell phones, as well as provide maps and other location-based information to cell phone



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Airbiquity President and CEO Kamyar Moinzadeh drives the company's test vehicle, which has been outfitted with a computer and other equipment.

users. But those strategies required cell phones to be outfitted with Global Positioning System, or GPS, technology, something that was still in its infancy at the time.

Airbiquity then shifted its focus to the automobile market, hoping to convince carmakers to adopt its software to provide GPS services, like call-center access, roadside assistance, and remote door unlock.

The company secured a deal with Wingcast, a then-joint venture between Ford Motor Co. and wireless technology giant Qualcomm Inc. But the joint venture dropped Airbiquity in 2002, a setback that sent the company into a tailspin. Airbiquity went on "life support" and downsized from more than 80 employees to eight, Moinzadeh said.

Still, Airbiquity managed to secure a contract with General Motors' OnStar subsidiary. The relationship with OnStar has endured, and today Airbiquity's software is installed in more than three million cars.

Without the core OnStar deal, Airbiquity may not have survived the economic

downturn, said Laurence Seifert, the former AT&T Wireless executive who chairs Airbiquity's board.

"I don't think we would have made it," Seifert said.

Moinzadeh said the company is now generating revenue and profits, but declined to disclose specific numbers.

Airbiquity sees a growing market for automotive GPS technology, particularly as Europe ramps up plans to make GPS features like automatic air bag notification — in which a vehicle sends a signal to a call center when an air bag is deployed — mandatory in all cars by the end of the decade. Airbiquity also has its eye on the other major U.S. automakers in Detroit, and plans to open a small office somewhere in the Midwest as part of its staff expansion.

The company recently rolled out a new service that allows drivers to access a car's GPS applications, like turn-by-turn directions, over their cell phones or other Bluetooth-enabled hand-held devices.

Contact: eengleman@bizjournals.com • 206-447-8505x117