

# ECONOMIC DEVELOPMENT



## **Authorization for a San Antonio Economic Development Corporation (SAEDC) Economic Development Project with HelpSocial, Inc.**

September 29, 2016

**Rene Dominguez, Director, Economic Development Department**



# HELPSOCIAL BACKGROUND

- Local IT company founded in 2014.
- Company co-founders (CEO and CTO) former Rackspace employees.
- Completed Techstars cloud program in 2015.
- Software platform transforming customer contact center sector.
- 6 jobs and growing – projecting profitability in 2017.



# HELPSOCIAL PRODUCT

- Development of mobile and web apps for integrating social media to support customer service center operations.
- Aggregates social data with internal customer information.
- Route social posts to the agent with the skill set that matches the issue.
- Alerts agents to social media posts requiring immediate attention.
- Smart systems eliminate multiple agents responding to the same customer.



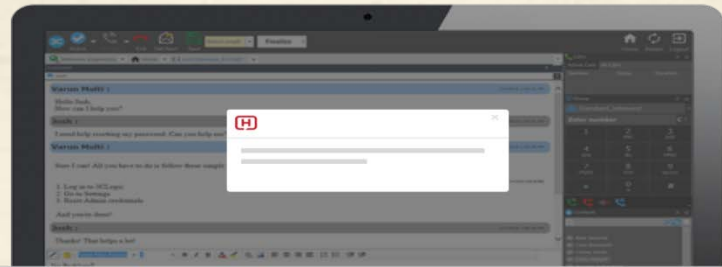
# HELPSOCIAL MARKET

- 110 contact center software companies outfit almost all enterprise contact centers.
- HelpSocial secured a major contract with inContact in August 2016.
- 85% of customer service inquiries to be handled thru social media by 2020.
- Social media share of contact center market projected to be over \$5 billion by 2020.



# HELPSOCIAL FINANCIALS

- Raised over \$1.4M in 18 months from mostly local investors.
- Projecting profitability in 2017.
- Currently raising \$1M through preferred stock offering.
- Funds will be used to fund continued expansion in San Antonio.



## ***Screen Pop Integration***

***Social Integration Technology™ powers the HelpSocial platform***

# SAEDC PROPOSED ECONOMIC DEVELOPMENT PROJECT

- Invest \$100,000 in HelpSocial's expansion and acquire 284,981 shares of preferred stock.
- Separate SAEDC Economic Development Agreement.
  - Retain HelpSocial in San Antonio for 3 years.
  - Maintain 6 jobs and add 4 jobs by December 2017.
  - Default provisions.
- Project meets approved SAEDC Investment Guidelines.

# HELPSOCIAL POLICY ISSUE

- The SAEDC Investment Guidelines require City Council authorization to undertake economic development projects with an investment over \$50,000.00
- Project meets approved SAEDC Investment Guidelines and was approved by the SAEDC Board on September 22.



# FISCAL IMPACT

- Funds in the amount of \$400,000 are available in the Economic Development Incentive Fund previously approved by City Ordinance 2013-11-21-0816 for the SAEDC to undertake economic development projects.
- This item does not impact the FY 2016 budget.



# RECOMMENDATION

- Staff recommends approval of this Ordinance authorizing the SAEDC to undertake an economic development project with HelpSocial, Inc. in the amount of \$100,000.

