

### **Ari Sonesh** **CEO**

MELVILLE, N.Y. -- If there is a secret to Ari Sonesh's success with CosmoCom, the company he founded in his garage in 1996, it is this: "Most people don't like change," Sonesh says. "I love change. I think change is good."

Change is particularly good when you are ahead of it, instead of behind it. Sonesh's ability to position CosmoCom at the crest of waves of change that have swept through the technology industry in the last 10 years has made it possible for his privately-held Melville, Long Island-based company to raise more than \$65 million in venture capital and post growth rates that have earned CosmoCom top honors from Deloitte Touche three years in a row for fast growth among technology companies in its region. CosmoCom's flagship product, CosmoCall Universe™, is now the most selected hosted contact center platform of tier-one service providers in the world today.



It has all happened very fast. In 1995 Sonesh envisioned an entirely new marketplace for hosted contact center systems that would live in the rapidly expanding universe of IP (Internet Protocol) Telephony. He knew this change was going to be big and decided to call his company CosmoCom to capture in its name a sense of the upside potential for a software product that was built from the ground up to take advantage of the convergence of voice and data. Larger industry players were staked to the ground in traditional telephony technology. CosmoCom, by contrast, was free to start at the beginning of this next generation of technology. This new market was his for the taking.

Sonesh's ability to not only see the future direction of technology, but also build a product and a global company to take it to market, was honed by the changes he had already lived through. Born in Prague in 1952, Sonesh moved with his family to Israel when he was 12. Although he now has a U.S. passport he considers himself a citizen of the world and maintains a network of contacts from his varied experiences around the globe. His resume is far ranging: He oversaw technology on missile ships during four years with the Israeli Navy. He has a degree in electrical engineering from the prestigious Technion Institute of Technology in Haifa. He has held both R&D and management positions with Israeli-based Elbit System, as well as with General Telecomputer, a startup company launched to market an early Computer Telephony Integration (CTI) device manufactured in Taiwan and Japan. Before launching CosmoCom, Sonesh was VP Operations/Engineering in charge of global support for Comverse, a company headquartered on Long Island. Comverse developed voicemail systems, initially for corporations, but later—on the way to surpassing \$1 billion in annual revenue—specializing in hosted platforms for telecoms. Sonesh remained at Comverse for nearly a decade. It was exhilarating to be part of such a successful, global organization. But it was not his organization.

#### **Story Angles**

- IP Telephony
- Hosted IP Telephony
- Contact center technology
- Entrepreneurship
- Managing fast growth
- International sales
- Venture capital
- Software development
- Channel sales
- Executive mentoring

The inspiration for CosmoCom came to Sonesh when he was 43 years old. He remembers the exact moment. He was relaxing in the hot tub at his house in Hauppauge, NY, thinking over the changes he'd been through in his life when he had a eureka experience that revealed to him not only the idea on which he could start his own business, but also what it would take to execute his idea successfully. The technology, the management style, the global scope, the timing, the people, the commitment; CosmoCom was the synthesis of everything Sonesh had accomplished up to this point. He saw it all in his mind in about ten minutes. CosmoCom would be his story. He gave Converse six months notice. And never looked back.

CosmoCom's timing in the global marketplace was perfect. The major telcos of the world were scrambling to make up for a precipitous drop in revenue from traditional services and needed a new service to offer their clients. CosmoCall Universe, an IP-based contact center platform that could be hosted by telcos for corporate clients, gave them that new service. More than a product, CosmoCall Universe was a potential new income stream. French, British, Finnish, Japanese and telcos from other nations got in line at CosmoCom's door.

CosmoCom's timing in the venture market was also good. It was the height of the internet technology boom, and venture money was rushing to technology companies. CosmoCom stood out among the opportunities. It had vision, but it also had a strong business strategy, a shipping product, and an experienced management team who knew the difference between revenue and income. Topspin Partners (formerly Long Island Ventures) was the first to invest in CosmoCom. It was followed in short order by Wheatley Partners, IDC, SAIC Venture Fund, Technology Crossover Ventures, and the Intel Communications Fund.

CosmoCom is now in the enviable position of being able to take market share away from larger competitors struggling to haul their legacy systems into the 21<sup>st</sup> century. Meanwhile, a technology replacement cycle is beginning now (6 years after the Y2K cycle) that is driving new purchases up market as corporations look to replace old PBX technology with IP Telephony. CosmoCom achieved yearly revenue growth of 30 percent in 2002, and 40 percent in 2003, 2004, and 2005.

This is just the beginning of the real growth curve, Sonesh says. More customers today share CosmoCom's expanded vision of the role of the IP-based contact center in the corporation. More than just a replacement technology for contact centers that were used primarily for telemarketing, the multimedia convergence of voice and data is turning the entire corporation into the contact center of the future.

Asked if there was something he might do differently if he had a chance, Sonesh says he doesn't spend his time looking back. His focus today, as it was ten years ago, remains on the changes that haven't happened yet.

--

*To schedule an interview with Ari, please contact Arthur Germain at Communication Strategy Group by email at [agermain@gocsg.com](mailto:agermain@gocsg.com) or by phone at 631-239-6335.*