

<http://www.sunspot.net/business/bal-bz.weatherbug23feb23,0,2559472.story?col>

WeatherBug takes Web by storm

The creation of a company in Gaithersburg has become one of the hottest sources of weather information on the Web.

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One vehicle kept gaining traction the more it snowed last week: WeatherBug.

Made in Maryland, it isn't a hot, new sport utility vehicle or even truly a bug, although it resides in a place where bad bugs occasionally do, in a computer.

It is the name of one of the hottest sources of weather information on the Internet and one of the most popular tools on the Web.

Gaithersburg-based WeatherBug has become the second-most-visited source of weather information on the Web, behind the site of cable television's The Weather Channel, according to Internet analysts comScore Networks Inc. and Nielsen Net Ratings. WeatherBug was the 38th-most-used Internet property of any kind last month, ranking ahead of sites for the heavily advertised Travelocity.com, the bookseller Barnes & Noble and NBC News, comScore reported last week.

WeatherBug is gaining enough new users on a typical day - 35,000 - to fill a baseball stadium. And unlike many Internet media, zapped like bugs after a stock market picnic, WeatherBug is said to be profitable in just its third year, according to AWS Convergence Technologies Inc., the private weather-reporting company that created it.

WeatherBug gained 100,000 new users last Sunday and Monday during the Presidents Day snowstorm. That didn't top last Thanksgiving, when the free service gained 81,000 users in one day as travelers feared forecasts of snow.

WeatherBug's parent company was formed in 1992 after two 25-year-olds, Bob Marshall and Christopher D. Sloop, proposed creating a network of weather stations to their boss, William R. Mengel, at a biochemical management company in Abingdon, near the Army's Aberdeen Proving Ground.

The company, EAI Corp., had begun air monitoring for various clients, including the United Nations' oversight of Iraq's chemical munitions after the Persian Gulf war.

It wouldn't be difficult to turn the air monitors into weather stations, the pair said to Mengel, who summarily rejected the idea.

"I'm not really interested," he told them. "There are probably 50 companies that make weather systems."

Undeterred, the pair devised a plan to have schools buy the stations for science instruction - an idea inspired by their schoolteacher spouses.

Reckoning that schools are rarely flush with cash, the pair further proposed that EAI pitch the concept to television news stations. Broadcasters could donate the equipment and use the "neighborhood weather" data on their newscasts, they suggested. Schools turned out to be receptive sites - and just as important, secure ones.

Mengel was sold. He joined Marshall, a 1988 mechanical engineering graduate of the [University of Maryland, Baltimore County](#), Sloop, and two others, Mike Bailey and Topper Shutt, in forming AWS apart from EAI.

One of the first to sign on to their service was Bob Ryan, chief meteorologist for Channel 4, the NBC affiliate in Washington. He secured funding from Giant Food Inc. and the Hughes Corp. to place AWS equipment atop 25 schools in and around the nation's capital. The number of schools grew to 400.

"It was a way of getting some local observations. Plus, a long time ago I'd thought of being a science teacher. Meteorology and the weather have always been a great hook for young people into science," Ryan said.

Although the schools had to dial in by computer modem nightly in pre-Internet days, Ryan still considered the technology a giant leap from his practice years earlier of handing thermometers to friends and "weather watchers" to get information for his nightly reports.

"When they came up with this system, we jumped on it," said Tom Tasselmyer, chief meteorologist at WBAL-TV in Baltimore and another early client.

Prior to AWS, he relied on far-flung monitors at Andrews and Dover Air Force bases to discern the weather miles away in [Annapolis](#) and the Eastern Shore.

The school-based system closed huge gaps in monitoring. It also revealed unusual "microclimates" in places such as [Ellicott City](#), where steep elevations cause temperatures to vary 10 or more degrees within only a mile or two.

AWS later branched into other areas, supplying weather data to energy companies and recently the U.S. Department of Defense for homeland security. But the WeatherBug may be its brightest idea.

AWS has grown to 115 employees from about 60 a year ago and projects \$33 million in revenue this year, up from \$16 million last year. Half of that is because of WeatherBug, Marshall said.

He and his partners foresaw the Internet as the perfect medium to transmit data between their now 6,000 stations and their subscribers billions of times a day.

A colleague who saw an early mock-up of the temperature beside a clock on a computer screen thought it reminded her of a "bug" in TV news parlance and proclaimed, "Look at the weather bug!"

The name stuck.

"We never thought it would catch on the way it has," said Andy Jedynek, senior vice president and general manager of WeatherBug who joined AWS in 1999 after developing early Internet projects for NBC television in California. The company's hope, according to scribbling on Jedynek's office memo board, is to become the "Kleenex of weather."

Several decisions turned out smart for WeatherBug, which began just as the technology investment turned cold in spring 2000.

The service was launched not as a Web site but as a "Web application," so it doesn't rely on someone revisiting a Web address. Users register to download it for free, keyed to their ZIP code. A small, buglike icon remains on the bottom of their computer screen and signals alerts from the federal National Weather Service, sometimes with a chirping sound.

Subscribers can elect to pay about \$20 a year for an ad-free version.

AWS also developed - and has applied for a patent for - a Web design that incorporates advertisements in the background of its weather report. Users can choose from among the companies whose ads it wants.

The move seemed counterintuitive: Many people find "pop up" or moving ads on the Internet a nuisance. Why would they want to pick an advertisement? Yet AWS is confident enough so far in its "brand wrap" strategy to have applied for a patent for a concept, which it believes aligns sponsors more closely with potential buyers.

AWS received \$15 million in venture capital from HarbourVest Partners LLC of Boston in 2000. The money was used to develop WeatherBug and buy out Mengel, the EAI founder.

Michael Taylor, a HarbourVest partner, compares AWS to a "financial data services model" because it assembles and transmits weather information - available to anyone who can collect it - as Bloomberg LP or Reuters Group PLC do with widely available stock market data.

AWS also has advantages that eluded many other recent technology startups: quick profitability and scant competition, Taylor said.

Like many current Internet-related enterprises, AWS takes pains to describe itself as "not a dot-com." It does appear to behave un-dot-com-like, housed modestly in the rear of an industrial park.

David Card, a technology business analyst with Jupiter Research in New York, was delighted to hear that Jedynak's office has cinder-block walls.

"Good for them. They're bootstrapping their business," Card said. "AWS is doing some great stuff. They have a massive audience. But that said, they have some huge challenges. Internet display advertising is a tough market right now. It's a buyer's market, not a seller's market."

One asset for AWS may be that weather is a relatively safe media buy - non-controversial and necessary to all.

"When I looked at the explosion of dot-coms, I wasn't sure if the advertising model would support it, but I said if you want to go for the brass ring, I'm not going to stand in the way. And they may have a shot at grabbing it," said Mengel, who also eventually sold EAI, too.

"These are two of the brightest guys I've run into in my 30 years in private industry," Mengel said of the pair who first brought him the idea.

"WeatherBug's a clever little thing. I wish I had thought of it, although frankly, I would have missed on bottled water, too."

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