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App Maker Aha Tunes In \$3M First Round

By Timothy Hay
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Aha Mobile Inc., a start-up launched less than a year ago, has raised \$3 million from Venrock as it prepares to unveil its application in Apple Inc.'s iPhone App Store this summer.

The application will push relevant information, such as traffic reports and reviews of nearby amenities, to drivers' mobile phones, but in such a way that they won't have to continually take their eyes off the road, said Robert Acker, chief executive of the company.

"It's dangerous, when you're in a car, to be hit with a bunch of stuff, with too many [search] results," Acker said. "It's cognitive overload."

With this in mind, Aha has developed an app that works with preset buttons, like a radio. A user can program the app to stream certain types of information - for instance accident reports - at the touch of a button, the way a user presets certain radio stations to correspond with certain buttons, the CEO said.

"You're not bombarded," Acker said. "We would fail if we gave you too many results."

Aha is beta-testing the app on its Web site and will release a free program in the App Store this summer, he said.

While the app will be free for iPhone users, premium features will be offered for a fee, Acker said. Additionally, as the company forms partnerships to obtain content for the app, a revenue-share with businesses who want to advertise through the app is another opportunity, he said.

While the company's short-term plan is to build applications for the various phones on the market, Aha's bigger strategy involves reaching out to car makers in the hope of having the program pre-installed on the dashboard the way a radio is today.

Aha has met with American automakers, which have shown interest, Acker said.

"Our goal is not to be an iPhone app company, but to optimize the in-car experience," he said.

The funding will likely carry Aha well into 2010, the CEO said. The Palo Alto, Calif.-based company was founded last June and has six employees, Acker said. Valuation was not disclosed.

<http://ahamobile.com>

The Venrock-backed company hopes to team with automakers for in-car streaming.