

February 3, 2006



Presents... **BISNOW  BUSINESS'**
ENTREPRENEUR WEEKLY

Exclusive Interviews with Washington's Top Entrepreneurs



An Interview With:
Ching-Ho Fung

Chairman and President of Parature, Inc.

Fung, 48, started his business career as a young Taiwanese boy selling jewelry out of a briefcase. Today he is chairman and president of Parature, an "on demand" customer support software company based in McLean. It was founded by several college students in 2000 (see below), has brought in more than 300 clients since 2004, and now has 50 employees. Fung has had a career in software for 20 years, including co-founding and selling (in 1995) software consulting company Performix. He is an angel investor in Parature as well as several other enterprise software firms. Lured by the development of the computer age in the United States, he came originally to the Washington area to pursue a business degree, and never went back to Taiwan. He has an MBA from the Indiana University of Pennsylvania and a MS in computer science from the University of Maryland. He was an early investor in Blackboard and was a member of its board of directors.

Bisnow on Business: How did you end up at Parature?

In a way I co-founded the company. The company was founded initially by four entrepreneurs who just finished college in July 2000 at Cornell. They started the company and were looking for funding. There wasn't any funding to be found at that time. I met them November 2000 a few months after they formed the corporation. There weren't any projects for me at the time so I told them we could do this together. I went up to the Cornell campus to their apartment. I gave them a check and invited them down to Northern Virginia, and we started the company here. Even though I wasn't technically a founder, I pretty much helped them start the company.

How much was your check for?

It was just enough for them to rent a U-Haul and rent apartments, maybe around \$20,000, which to them was a lot of money.

How did you link up with a bunch of college kids?

It was at a conference. The CEO, Duke Chung, came to an investor conference in Bethesda and was presenting. I was an emcee for one of the events. They had seven minutes, and I was the one to tell them when to start and when to stop. After the event, Duke came to me through a mutual friend. We got together three or four times, and he convinced me to do it.

What is your role as chairman and president?

My team is very young so I continue to help them build the company, mentor them and provide the business experience to guide them. I also provide the financial connections and resources to help provide enough capital for the company to execute the business plan.

Is it a challenge running a company alongside its founders?

It's a balance that I always have to keep. I'm double their age. At the time

NOT ALL
 AMBITION
 LIVES INSIDE
 THE BELTWAY.

Be ambitious—Join us outside the beltway at the region's fastest growing research and technology campus—The GW Virginia Campus. Partner your considerable skills with our executive and accelerated graduate programs, rigorous research projects, and outstanding faculty. Make a difference in your career and in your life.

BRING US YOUR
 AMBITION.



THE GEORGE
 WASHINGTON
 UNIVERSITY
 VIRGINIA CAMPUS

www.gwvirginia.gwu.edu
 703-726-3650

that we met I was 44 and they were 22. It is a little bit different between what I see and what they see. It takes a lot of communication and education for both me and them to be on the same page. But we'll never be quite on the same page. It's an evolving process. Each year we improve a little bit. I've gone from being very involved in daily operations to now not involved in operations at all. My job now is more helping to see the future of the company and help define the execution and pace of the growth strategy.

The bio on your web site says you have a talent for recognizing strong up and coming technology companies. How would you define such a company?

In my view, to be successful there are no short cuts. You always have to spend a lot of time. When I met Duke, we spent about three months to get to know each other, to get to know who he is and what kind of person he is. I need to feel like I can trust this person 100 percent. The business dynamics change every day and you can never rely on a business idea or a market. But you can pretty much depend on a group of people. If they are good enough, they should be able to adjust and react to the market conditions and still succeed at the end.

So are the people running the company more important than even the product or service they're selling?

In my book, yes. They are more important because products and services are created by them. It's important that they are capable and talented and competitive enough. All the things we're looking for as business entrepreneurs—their passion, their commitment, their talent and trustworthiness. It's very difficult because once they start the business it's very challenging and very difficult. It takes a special type of person to do it and they're not easy to find. Not anyone can start a successful business. Not everyone can be like MicroStrategy and webMethods. They're very rare, and therefore I spend more time looking for those people. Once I find them, I spend time with them and prove to them that I can bring them value. If they believe that I can help them, that makes a better team. If they just want my money, then I will not be interested.

What are some of the biggest challenges that tech companies face in 2006?

Because of the dot com crash and what has happened in the last few years, more and more larger companies are developing new products. They are capable of leveraging their market share and their financial ability and are able to basically incubate new products within the company. That becomes competition for entrepreneurs who want to create new business ideas. That's probably why you don't see as many entrepreneurs these days. Because the larger companies are getting more mobilized and they're able to deliver new technology better than before. So a lot of entrepreneurs will work for those companies and they view themselves as entrepreneurs within a company structure. Because those companies already have market share and access to capital, that makes their job a lot easier.

Is that a new trend?

Relatively new. It's harder and harder to come up with new ideas that no one has done anything with. With what's left out there, except for the newer technology, you pretty much have to re-invent new methods to do the same thing better. That's Blackboard's success. Blackboard invented a new way of teaching and learning over the Internet. That was 8 years ago and in the last few years, there weren't any new ideas like that around. You basically have to look for a business idea where the problem is already there but you have to find a better way to solve the same problem, leveraging the new technology, specifically the Internet, to deliver more efficiently and to solve the same problem. The whole world is getting more efficient and there's less opportunity for entrepreneurs.

Where did you grow up?

I grew up in Taiwan. I was born and raised there and finished college there. I also completed two years of military service. I was a second lieutenant officer in the Army.

Did you have any childhood experiences that led you into business

Cyveillance



This issue has been sponsored by Cyveillance, Inc., a leading provider of online risk monitoring and management services. Founded in 1997, Cyveillance is focused on helping large organizations monitor the Internet for identity theft, fraud, security risk, unauthorized product distribution, and brand abuse. It is based in Rosslyn, Va., and has more than half of the top Fortune 500 companies as customers.

FOR INFORMATION

Contact Todd Bransford, Vice President of Marketing,
tbransford@cyveillance.com

Phone: (703) 351-2420

or technology?

Business, yes. That idea I had since I was little. I only applied to business schools when I was going to college. Mainly because my family was very poor and I was interested in making money. Technology I picked up after I came to the U.S. I came here to get my MBA degree. In Taiwan at the time, if you got a foreign degree in the U.S. and went back, you usually skipped a few steps on the corporate ladder and got a higher management position. Because it's an international trading place like Hong Kong, the ability to speak English and communicate with foreign business people got you a better paycheck and a better position. I went to get my MBA to come back and get a better job. When I came here it was 1982 and computers just got started. The first Apple was just released to the market. So I said to myself, if I want to do business, I should do business in computers. I decided that I was going to delay my return to Taiwan, and I also decided to pursue a degree in computer science. After my MBA program, I applied to computer science graduate school in Maryland in 1984. I got accepted as a teaching assistant. So I was able to come over here and get paid and obtain my master's in computer science. I thought now with my master's in computer science, when I get back to Taiwan then I will be hired by a leading technology company and become CEO some day. That was my dream. But that didn't happen.

Why not?

I got married, and we had two daughters while I was in graduate school. I needed to make money right away. At one time I had about five jobs while doing my master's in computer science. One of my jobs led me to computer consulting work after I finished my degree.

As a child, did you have any businesses?

The only time I remember, I was selling for a jeweler. They asked me to carry a briefcase full of jewelry, selling these fake diamonds. I didn't sell anything. But I did tutor some high school students, so I made money there. I always needed to make money. I always pretended that I had a lot of money so I needed the money to support my lifestyle. I was always very focused on how I was going to make a lot of money. I liked that pressure. Getting married early and having children, it was good for me. That added extra pressure on myself to succeed.

Where do you see yourself 10 or 30 years from now?

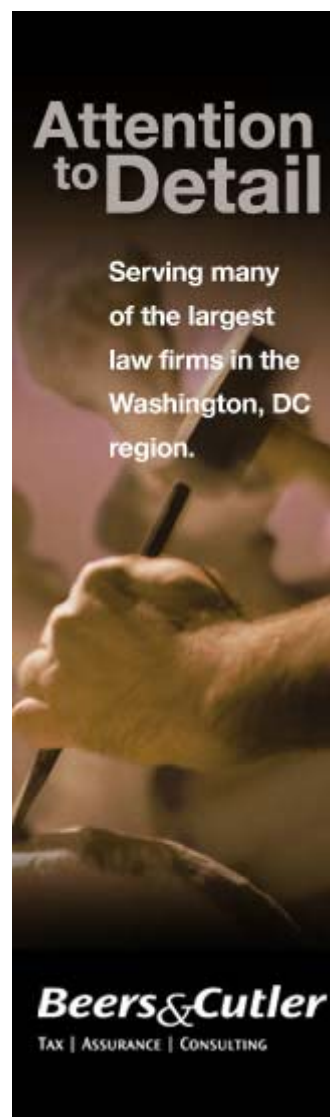
I'd love to be able to still ballroom dance when I'm 80, to be active in golfing or dancing or anything. If I'm standing and moving well, then I'll be very happy. I invest my time learning hobbies to keep myself motivated. I see Parature as a big public company. With the chemistry and people we have, it can be a very large successful company and can provide lots of good products and services to businesses. I hope I'm still the chairman then. I'd like to see myself get involved in more businesses. Ten years from now I'll be 58 and still relatively young. So I'd like to do more in bigger businesses and continue to challenge myself in the industry and continue to learn new technology and new ways of doing business and continue to work with newer generations of entrepreneurs until I feel I'm becoming an obstacle in the company. Right now I feel like I'm still very useful and productive.

And you're happy to be doing your business in the US?

Hopefully one day I'll also get started in China. I came from Asia and my mother language is Chinese. So I'd like to do some business in China in the future. That would give me a very different experience than what I have had here in the Western culture. I've never done business in China, but I think that would very exciting for me.

Do you ballroom dance now?

I used to dance in college in a dance club on campus. After I sold my first company, I asked my wife to go to ballroom dance classes with me for about two years. For a few years, I volunteered to teach beginning ballroom for the community. When I was dancing in college I entered competitions. One time I appeared on a Taiwanese television show like American Idol. I only appeared once. The other day we were watching Dancing with the Stars and my wife said we should go back. Because we kind of stopped. We may go back. That would be fun.



Attention to Detail

Serving many of the largest law firms in the Washington, DC region.

Beers & Cutler
TAX | ASSURANCE | CONSULTING

[This interview conducted by Tania Anderson for Bisnow on Business.]



For advertising information, please contact [advertising](#), or call (202) 966-1200

An image of two goldfish bowls. The bowl on the left contains orange goldfish, and the bowl on the right contains a single orange goldfish. Water is splashing into the right bowl from above.

You don't need a crowd of lawyers. Just one partner's undivided attention.

Smart in your world™
Arent Fox

Entrepreneur Weekly

featuring exclusive interviews with the region's top entrepreneurs.

Bisnow on Business now offers additional e-mailed Weeklies showcasing interviews with Washington's movers and talkers!

Washington Legal Weekly

featuring exclusive interviews with region's legal leaders

Federal IT Weekly

featuring exclusive interviews with IT leaders

Washington Women Weekly

*featuring exclusive
interviews with the region's
most successful women*

**Washington People
Weekly**

*featuring exclusive
interviews with the most
fascinating figures of the
region*

Real Estate Weekly

*featuring exclusive
interviews with the region's
commercial real estate
leaders*

Subscriptions are
free-of-charge at
www.bisnow.com.
And watch this space as
additional e-mailed Weeklies
are introduced.

BISNOW  BUSINESS

Visit www.bisnow.com to subscribe
to any of several complimentary
e-newsletters.

This newsletter is a journalistic news source which accepts no payment for featured interviews. It is supported by conventional advertisers clearly identified in the right hand column. You have been selected to receive it either through prior contact or professional association. If you have received it in error, please accept our apologies and unsubscribe at the bottom of the newsletter. © 2005, Bisnow on Business, Inc., 2717 Chesapeake St., NW, Washington, DC 20008. All rights reserved.

If you have received this in error, please accept our apologies and [unsubscribe](#).