



Yard Monitor

Los Angeles Business Journal

**By DEBORAH CROWE; Los Angeles Business Journal Staff
Jan 21, 2008**

High-tech management of sprinkler systems has become big in the landscaping industry. And Agoura Hills startup Cyber-Rain Inc. has a system that its executives hope can make the money pour in thanks to that trend.

Cyber-Rain's wireless weather-based system, which can be monitored by a home computer, costs around \$350. It's competing with major landscaping companies thanks to a product that's comparable with others costing \$4,000 and is easy to install.

"My motto was 'My next-door neighbor's wife could install this,'" said inventor and Chief Technology Officer Reza Pourzia.

Initial sales have been to individual homeowners, but the company sees its biggest growth potential in marketing to homeowner associations and developers or property managers of business parks. After that, more homeowners will want the product.

Pourzia got the idea for the Cyber-Rain XCI system by watching in frustration the runoff coming down the street from his and his neighbor's sprinklers in Oak Park.

In addition to conserving water for environmental and financial reasons, gardeners simply don't want to lose thousands of dollars of expensive landscaping when a sprinkler floods or starves grass and shrubbery due to changing weather conditions.

The units sell across the U.S. and internationally, so the company's target market isn't just Southern California and its relatively predictable weather.

"People want to do the right thing, and save money, too," Pourzia said. "But they don't want to be bothered with a lot of technology."

Cyber-Rain is designed to prevent overwatering by shutting off sprinkler systems on rainy days, and adjusting watering schedules according to online weather forecasts and historical weather data stored in a computer program.

With years of experience in computer science and e-commerce, Pourzia was familiar enough with advances in wireless networking to know that the technology had reached the point where a reliable, sophisticated system could be accessible to a layperson. He wanted to create a product that was easier to install than a wireless home computer network.

The controller can be installed in a garage or shed and plug into an irrigation system's existing timer wires.

Customers can use their home computers to customize soil, terrain, plant and other data for up to

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eight zones on a property, and wirelessly send that information to the controller. The system uses updated forecasts by ZIP code from Weather.com, a free Web site, to regulate watering. It can also use historical weather data for a neighborhood as a backup if the forecasts aren't available.

Past water usage data can be input for the unit to provide comparison reports. Customers can also buy additional Cyber-Rain controllers to handle additional landscaped zones beyond the standard eight.

"What's compelling from a business sense is that the value of this unit isn't in the hardware as much as the software, the intellectual property," said Chief Executive Matt Ridenour, who represents the interests of Cyber-Rain's main financial backer, Pasadena-based Momentum Venture Management.

Momentum, which specializes in developing a company to where a venture capital firm or angel network might be interested, invested in the company in June. Ridenour declined to say how much Momentum has invested. The firm specializes in getting a company from garage to Series A venture funding, which can take \$250,000 to \$750,000.

Cyber-Rain's units now are made at a contract facility in Moorpark, but Ridenour foresees the day that manufacturing might have to move overseas to keep costs down as the company grows.

Commercial enterprise

While the unit's price point appeals to individual homeowners, Ridenour sees Cyber-Rain's real potential coming from getting the unit installed for common areas in housing developments and office parks. The company already has sold systems that are being placed in common areas at new developments, and has at least 500 such commercial orders in the pipeline. He expects additional sales could come when individual homeowners want a unit for their own property.

Rob Patton, who has three-quarters of an acre of landscaping on a variety of soil types at his Agoura Hills home, said his water bills often ran \$400 per 60-day cycle before he bought a Cyber-Rain unit over the Internet last year.

"The unit paid for itself in the first few months," said Patton, who estimates a 30 percent reduction in his bill thanks to the unit. "The savings may not be so much in the peak summer months when you're running the sprinkler all the time, but in the spring and fall it really made a difference."

Patton backs up Pourzia and Ridenour's comparison of the features of competing automatic systems.

"I'm basically lazy and didn't want to have to replace my entire landscaping by putting in a new system," he said. "I didn't want to install weather sensors in my yard or pay some monthly cost to keep it updated like the other wireless unit I came across. I just wanted to replace my timer."

Water conservation products are one of the fastest growing segments in the home improvement market, according to Wayne Gorowitz, a Torrance-based national water sales manager for distributor Ewing Irrigation in Phoenix.

He expects that demand for smart irrigation controllers will jump once the Environmental Protection Agency finalizes federal standards for its WaterSense product program, similar to the EnergySense program for electrical appliances.

Gorowitz notes that three major irrigation product companies, including market leader Toro Co., and several venture-backed companies such as Cyber-Rain all have smart controllers of varying cost and sophistication hitting the market, so competition will be a factor.

He also said that a smart controller can only go so far in improving irrigation efficiency. If the watering system is old or otherwise inefficient, add-on technology won't be as much help.

"Once water districts around the country put in rebate programs like there are for energy-efficient appliances, you're going to see even more demand," Gorowitz said. "Even so, it will be interesting to see which of these companies are still going to be here in five years."

Ridenour intends Cyber-Rain to be among the winners, even if he is no longer directly running the company by that time. Momentum's business model generally has the firms that it is backed bringing in bigger investors, and Cyber-Rain will need more capital in order to ramp up production, marketing and distribution.

But Ridenour plans to keep the Cyber-Rain system he has installed on his own hard-to-water property in Agua Dulce.

"I was always killing plants from overwatering because I'm traveling a lot," he said. "And this is the first time I've been able to keep my roses going."

Cyber-Rain Inc.

Year Founded: 2005

Core Business: Wireless irrigation controller systems

Employees in 2007: 2

Employees in 2008: 5

Goal: To become the leading provider in its segment for smart irrigation controller systems

Driving Force: The desire to maintain landscaping and conserve water.

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